Daily Report

East Europe

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Daily Report
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FBIS-EEU-95-045 *8 March 1995*

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Bosnia Thanks Iran, Urges Concrete OIC Action

LD0803100395 Tehran IRNA in English 0925 GMT 8 Mar 95

[FBIS Transcribed Text] Athens, March 8, IRNA—The foreign minister of Bosnia-Herzegovina (B-H), Irfan Ljubljankic, heaped praise on Iran for the Islamic Republic's aid and help, but appealed to the Muslim world to launch an organized effort to resolve the Bosnian conflict.

"Without the help of the Islamic world we couldn't resist and we couldn't survive. We are very obliged to the almighty to have friends around. We are very satisfied with the decisions of the last OIC [Organization of Islamic Conference] summit in Casablanca which adoptd a short but concrete document on Bosnia," Ljubljankic told the ISLAMIC REPUBLIC NEWS AGENCY (IRNA) in an interview. "Unfortunately I must say that the OIC document is not yet initiated into concrete action," he said.

The Bosnian minister arrived in Athens Wednesday dawn from London to take part in a tripartite meeting with his Greek and Iranian counterparts, Karolos Papoulias and 'Ali Akbar Velayati, to search for a peaceful solution to the conflict in B-H.

"I am sure that there are no two or three countries which are helping us as Iran. Specially we are thankful to the almighty that the help which Iran sends us is not conditioned with anything. It is a brother's help. It is a help from the bottom of the heart, and Bosnian people will never forget that," he emphasized.

Ljubljankic appealed to the Islamic world to better organize its efforts to resolve the Bosnian conflict. "We are satisfied with bilateral relations with some Islamic countries such as Iran. We are happy with that, but concerning organized approach of OIC about common humanitarian, economic, diplomatic, political approach to the Bosnian case I think it must be much more efficient, much better organized," he told IRNA.

The minister said in London he discussed the situation in B-H with British Foreign Secretary Douglas Hurd. He disclosed that a European Union troika is to travel to Moscow Wednesday to convince the Russian leadership to change its policy towards the Bosnian issue.

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PD 'in Crisis' as Selami Dismissed

AU0703161795 Tirana GAZETA SHQIPTARE in Albanian 7 Mar 95 p 1

[Article signed "fa.bax/gje.pi." on PD Extraordinary Conference in Tirana on 5 March: "Storm in the Democratic Party: Selami Dismissed, Party in Crisis"]

[FBIS Translated Text] Tirana—What the Democratic Party [PD] chairman warned a few days ago has actually happened: Eduard Selami is no longer the head of the PD. Since the evening of 5 March, the party has been led by a management group consisting of General Secretary Tritan Shehu and the three deputy party chairmen: Dosti, Spahia, and Hysenbegasi. The line promoted by President Berisha triumphed at the Extraordinary Conference, and Selami is left with his posts as parliamentary deputy and chairman of the Foreign Affairs Committee of the People's Assembly. The incident, perhaps the most significant political event of recent months, has prompted a great deal of debate both within and beyond the PD. The PD's parliamentary group discussed it yesterday afternoon.

The meeting deciding Selami's fate was of marathon length. Gathering on the morning of 5 March, more than 600 delegations from the PD's branches nationwide heard the advocates of the two policies on the constitution. Berisha spoke harshly against Selami, reminding the hall of his recent disagreements with Selami, and, as at all meetings recently, Berisha insisted strongly on his two main ideas. At the afternoon session, a motion of no confidence was produced by a group of participants in the meeting. There was a show of hands, and Selami was no longer the head of the PD.

The PD's new group leadership spoke to correspondents, describing the party's position without Selami. "Only 47 out of 664 votes went to Selami, and there were 10 further abstentions," Tritan Shehu said yesterday. "The conference was held in accordance with the regulations of the statute, and there was a frank and constructive discussion with a desire to solve the problems that have arisen. It was a discussion of ideas and standpoints, not personalities."

Selami's supporters do not take this view. One of them, Azem Hajdari, reacted very strongly yesterday against the way the conference was held. "Several procedures of the statute were broken yesterday, and this shows that it will be difficult to preserve democracy in the PD," Hajdari said yesterday to GAZETA SHQIPTARE. "Selami's supporters were not given the floor; and the debate was about personalities, not explicit ideas. Worst of all, there was no secret ballot, as the party statute prescribes for the election of a party chairman."

"Yesterday's conference left behind a bitter after taste," Hajdari added. "The stand taken against Selami was very violent, and the shouts against him were reminiscent of a horde of soccer fans. This undoubtedly sullies the image of our party and gives openings to our political opponents. It is now up to the parliamentary group to meet as soon as possible and produce another vision, with the aim of stemming the surge of the left toward power. Nevertheless, politics is a long-term affair for me, and in this sense Selami was the true victor."

Neritan Ceka, leader of the Democratic Alliance, also reacted yesterday. "The PD no longer exists," he said. "It is now in a state of constitutional collapse."

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Two New Deputy Defense Ministers Appointed

AU0803100995 Sofia Khorizont Radio Network in Bulgarian 0900 GMT 8 Mar 95

[FBIS Translated Text] Defense Minister Dimitur Pavlov presented two new deputy defense ministers at an official ceremony at the Defense Ministry this morning. Dimitur Mitkov has been appointed deputy defense minister for military-political affairs, while the new deputy defense minister for legal and social affairs is Stoyan Stefanov Shatov.

SDS, People's Union Denounce Amendments

AU0703185195 Sofia Khorizont Radio Network in Bulgarian 1700 GMT 7 Mar 95

[FBIS Translated Text] On 7 March the National Coordinating Council of Union of Democratic Forces [SDS] adopted changes in the SDS Statute that are related to the activity of the regional councils.

The regional councils will be consultative organs of the SDS, and will be formed on the basis of the party principle.

Ivan Kostov, chairman of the National Coordinating Council of the SDS, has stated that the SDS would utilize all means in opposing amendments to the Land Act.

Today SDS deputies met with foreign reporters at the parliament building and presented the SDS position on this issue. Tomorrow the SDS organizes a national protest rally against the attempts of the Bulgarian Socialist Party [BSP] to stop returning the land to the owners. Speakers from the People's Union—Bulgarian National Agrarian Union [BZNS] and Democratic Party—have been invited to speak at the rally.

At a joint news conference deputies of the SDS and the People's Union have criticized the judicial quality of many articles of the draft amendments to the Land Act. The draft has been described as a political document of recommunization character, based on ideology taken from Sholokhov's socialist realism novels.

The BZNS deputies have pointed out that they hope that there are sober thinkers among the parliamentary faction of the majority who will prevent the adoption of the amendments in their present form.

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Iranian Minister, Gasparovic Discuss Cooperation

LD0703144595 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1100 GMT 7 Mar 95

[FBIS Translated Excerpt] Iranian Foreign Minister 'Ali Akbar Velayati continues his two-day visit to Slovakia. He was received this morning by Ivan Gasparovic, chairman of the National Council of the Slovak Republic. Jan Baranek asked Ivan Gasparovic to assess the talks:

[Begin recording] [Gasparovic] [Passage omitted] We discussed possible cooperation with the Iranian parliament and we also talked about the possibilities for cooperation between executive powers. Iran is most of all interested in increasing trade contacts with our country to their past level inasmuch as the former Czech and Slovak Federal Republic enjoyed good trade relations with Iran.

With regard to parliament, we discussed the possibility of setting up a group for friendship with the Iranian parliament, which would work within the framework of an interparliamentary union set up some two months ago. [passage omitted]

[Baranek] Did you discuss Iran's debt to the former federal republic?

[Gasparovic] We did not discuss this issue openly since it is more or less a problem to be dealt with by the executive power and not by parliament. However, on the personal level, just between the two of us, we mentioned that there is this problem. But as I said, it is up to the government to decide on ways of tackling this issue, whether through unblocking or some other measure.

[Baranek] Which areas of cooperation have, in your view, the greatest potential?

[Gasparovic] I think there is already some cooperation, especially in the economic sphere, after the ministers visited the country. [sentence as received] There are opportunities in some industrial areas. However, Iran has also become interesting for other products, such as consumer goods. This, however, is a matter for the government, not for parliament.

[Baranek] Did you discuss cooperation in the arms industry?

[Gasparovic] No. [end recording]

Klaus on Convertibility of Koruna, Other Issues

LD0703202595 Prague Radiozurnal Radio Network in Czech 1715 GMT 7 Mar 95

["Regular" weekly interview with Czech Prime Minister Vaclav Klaus by correspondent Lucie Weissova on 7 March, place not given—recorded]

[[FBIS Translated Excerpt] [Weissova] The most topical event of last weekend was the Civic Democratic Alliance [ODA] assembly. The proposed theses of the economic program are being considered as its greatest contribution. They are based on further liberalization, demonopolization, and lower taxes. In your opinion, to what extent is this program new or different from the government policy?

[Klaus] I do not know the details of this program, and I have never seen it, but the words deregulation, demonopolization, completing privatization, reduction of taxes—all this is the beginning and the end of the government policy today and all the representatives of the government coalition talk about it. [passage omitted]

[Weissova] The Coalition Four will have talks today, the topic being social policy. Josef Lux told Czech radio prior to the talks that the basic question that must be clarified is whether or not the state should influence population growth. He is of the opinion that it should, but your answer has been negative on several occasions. Do you think that you will agree on this question, or do you think that it should be on the agenda at all?

[Klaus] I am very surprised. It has never occurred to me that this could be on the agenda of these talks. The agenda includes merely whether or not we have the feeling that, as a government coalition, we can push laws of the social type in parliament in an undistorted form, compared to how they have been prepared by the government. Or simply if this willingness of the government coalition is missing. The deliberations whether to support or not to support population growth—that is a completely different question. I do not understand how it can be compared with the above.

[Weissova] Talking about social questions, there is another social topic on the agenda: The UN summit on social development opened in Copenhagen yesterday. You will take part in the conclusions of its deliberations. Poverty, starvation, and deaths of millions, particularly in the Third World, these are problems that have to be solved. The critics of the conference, however, think that only general statements will result from it, which will not help the suffering people very much. Are you also a skeptic as to the efficiency of such actions, or are you an optimist? [Klaus] I certainly do not assume that anything is going to change in the world after this action. I am sure nothing will change. On the other hand, it is a serious problem of many countries of the world and, naturally, seeking paths toward a solution that is long-term rather than short-term is a worthwhile matter, it is worth being talked about by representatives of all the countries of the world. [passage omitted]

In overcoming poverty, with the exception of humanitarian aid in moments of life-threatening crises, foreign aid is for the most part not very productive. The task of overcoming poverty is an internal problem for each country concerned. [passage omitted]

[Weissova] We have witnessed the repercussions of some European currencies. Are we going to be exposed to

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similar repercussions when our currency is convertible? Are we not being lulled thanks to the Czech koruna's not being convertible?

[Klaus] First, I must repeat that we have a certain degree of convertibility of the koruna, and that it is quite a large extent. I would like to ask everybody to compare it with what the convertibility was like up to November 1989. Let us not judge it in absolute terms, there exists the so-called internal convertibility of the koruna, and the issue is how the extent of the convertibility is going to be expanded in our country. [passage omitted]

The more convertible the koruna is the more it will be susceptible to the disorders of the type we have witnessed recently in various parts of the world, and in the past few hours in various countries in Europe. Naturally, we are well aware of this and that is why I am one of those who is not in a great hurry because one has to be well-prepared for this step, our economy must become hardened, it must withstand the first attack of the virus. This is really necessary, and that is why the cheap recommendations that we should not be afraid and jump in seem to me to be poorly conceived.

Slovak Envoy Criticizes Czech TV Reporting

LD0703192795 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1600 GMT 7 Mar 95

[FBIS Translated Text] Ivan Mjartan, the ambassador of the Slovak Republic to Prague, today filed an official protest against the coverage of the political situation in Slovakia as carried by state Czech television. In his declaration, Mjartan says that the Slovak embassy in the Czech Republic is astonished by the fact that the Czech television reporters invite to their news bulletins only the obvious political opponents of the current Slovak Government who live in the Czech Republic, the interview with Jozef Baksay, the former minister of foreign trade [of the federal Czechoslovakia], and author Ivan Hoffman being an example of such biased and prejudiced news coverage.

In response to this declaration, Petr Studenovsky, the editor in chief of Czech television news, told TASR that Czech television in no case ignored the official statements of the Slovak Government, reporting regularly on the government's activities, as well as on the work of the Slovak parliament. He also added that Augustin Marian Huska [deputy chairman of the Slovak parliament] and Slovak Prime Minister Vladimir Meciar had appeared on Czech television recently.

GS Officer Opposes Purchase of U.S. Hardware

AU0703172495 Prague LIDOVE NOVINY in Czech 3 Mar 95 p 16

[Article by "(gag)": "The Hasty Purchase of F-16 Fighters Could Delay Our Admission Into NATO"]

[FBIS Translated Text] Prague—If the Czech Army were to use the offer from the U.S. Administration and were now to purchase the most modern weapons (including, among others, the F-16 aircraft), this could be, according to the experts from the General Staff [GS], a tragic mistake. This step could even delay the Czech Republic's incorporation into NATO.

"Even if parliament were to approve a budget several times higher for the Army (it amounts to 27 billion korunas for 1995), we would never agree to the purchase of the most modern aircraft or other weapons," Colonel Jaroslav Hudec, chief of staff of the Czech Army's Air Force and Air Defense, said to LIDOVE NOVINY. In his opinion, if the Army were to succumb to the desire to obtain the most modern weaponry at any price, it could find itself in the role of a layman who, on a whim, buys a supermodern automobile only to learn to drive it. Hudec says that things like this happened several times prior to November 1989. He tells of the purchase of Russian Su-22 fighter bombers when no pilots or ground personnel in the former Czechoslovak Army had been trained to operate them. "Some electronic components for these aircraft laid in boxes for several years until we learned how to use them," Hudec recalls. He is convinced that, at the moment, investments for training technically first-class and linguistically accomplished experts is important for the Air Force. Apparently, installing NATO-standard identification systems in aircraft and ground radars (the U.S. embargo was related to them) is of no less importance. Hudec places radio stations compatible with the West's and automated command systems (the current ones are reaching the end of their service life) before weapons. In this sphere, the Air Force will take up the 1994 offer from U.S. President Clinton.

"The Army will not get any more resources; why invest in weapons that we would not use," Jaroslav Hudec sums up. He considers investments in young experts, whom he regards as the Army's real capital, to be the effective modernization projects for the Air Force.

Article Gives Specifications of L-159 Aircraft

AU0803080495 Prague HOSPODARSKE NOVINY in Czech 2 Mar 95 p 11

[Article by "tk": "For the Time Being, Aero's L-159 Is Flying Only in Pictures"]

[FBIS Translated Text] In the days to come, Aero Vodochody a.s. and the Ministry of Defense are to sign contracts for the development and supplies of the L-159 light multipurpose combat aircraft. The U.S. firm Rockwell, which has been selected as a partner for supplies of avionics, is at the same time preparing its final bid with more specific data. The first prototype should take off in late 1996 or early 1997, with deliveries to start two years later.

According to the firm's preliminary data, the aircraft will be 12.53 meters long and 4.77 meters high, with a wing

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span of 9.54 meters. The Allied Signal/ITEC engine with a maximum thrust [tah] of 28 kN will allow a maximum speed of 930 km per hour, climb performance [stoupavost] of 47 meters per second, and a service ceiling of 13,200 meters. The maximum weight carried in its under-fuselage pods will be 2,340 kg. Without external tanks and with a 10-percent contingency reserve, the aircraft will have a flying range of 1,570 km. To take off, it will make do with a runway of 490 meters. The aircraft's concept is derived from the previous generations of the successful L-39 and L-59 training and light combat aircraft. Both a single-seat version and a two-seat version will be developed. (For the sake of comparison, the present L-59 is equipped with a DV-2 engine, manufactured in Slovakia, with a thrust of over 21.6 kN, has a climb performance of 28 meters per second, a service ceiling of 11,800 meters, a maximum speed of 865 km per hour, and can carry a maximum of 1,500 kg of armament in its under-fuselage pods).

The Ministry of Defense will purchase 72 machines. However, 167 aircraft will have to be manufactured for proceeds from sales to exceed the costs of the development and production program. The development will cost 1.7 billion korunas. The army will cover 14 percent and the Aero Vodochody a.s. the remaining 86 percent of the costs of the preproduction stage. The manufacturer reckons with the production of 231 aircraft in the next 10 years and with total revenue of 74 billion korunas.

According to some experts, the L-159 is the last aircraft of this category, the development and production of which will be funded for the most part by a Czech manufacturer. Aircraft and training systems of future generations that will be developed and manufactured after 2010 will have development costs in the order of $1.5 billion.

KDS Chairman Talks About Party, Coalition

AU0703171995 Prague LIDOVE NOVINY in Czech 1 Mar 95 p 13

[Interview with Ivan Pilip, chairman of the Christian Democratic Party and minister of education, by Martin Manak and Miroslav Kopecky; place and date not given: "The Coalition Is Doomed To Endure Until Elections"]

[FBIS Translated Excerpt] LIDOVE NOVINY is preparing a series of profiles of prominent contemporary Czech politicians. Ivan Pilip, chairman of the Christian Democratic Party [KDS] and minister of education is the first of these politicians with whose views the readers of our daily can acquaint themselves. [passage omitted]

[LIDOVE NOVINY] Do you believe that the current government policy can be described as right-wing?

[Pilip] I would question some things. The idea itself of the selective award of social allowances is acceptable. If we say, however, that some benefits should not be paid to 25 percent of the richest, it is reminiscent of the millionaire's tax. This does not seem to me to be a very right-wing attitude. The housing policy seems to me lagging a bit. I consider caution in this matter to be more detrimental than otherwise. One should not wait so long with a more intensive deregulation of the housing market.

[LIDOVE NOVINY] Solutions to other transformation problems do you consider important?

[Pilip] The microeconomic side of the transformation represents a problem. It is not clear whether the foreign currency policy, which enabled the enterprises to redirect their exports, did not lead the enterprises to underestimate the harshness of the competition that will follow the convertibility of the koruna. Similarly, the unemployment rate of 3.5 percent certainly is a splendid figure but also a warning that ordinary labor migration is absent. Numerous structures at the level of enterprises are frozen, and effectiveness and dynamics do not rise. It would be useful to speed up the discussions on the convertibility of the koruna in principle rather than imposing the limit of 100,000 korunas.

The constitutional system must also be wrapped up. If the coalition broke apart today, there is no way out. It is as if the coalition were doomed to endure until June 1996, and that is not altogether right. For this reason, the Senate issue must be settled. I do not belong within the party of those who believe the Senate to be an institution without which the state cannot exist. To remove it from the constitution would mean, however, to redefine powers from scratch. From this point of view, it is much more reasonable to implement the Senate.

[LIDOVE NOVINY] Are you troubled by the nonexistence of the higher administrative bodies?

[Pilip] It is not a crucial issue, and the discussions about it have not progressed far enough. As a party, we have not managed to arrive at unequivocal conclusions. This requires a great perception and a single session of the coalition cannot solve it. I do not consider it a key problem, and I say this aware of the difficulties I face in drafting the education law not knowing what the higher administrative body would be like.

[LIDOVE NOVINY] How do you imagine the so-called restitution full stop referred to by the Civic Democratic Party [ODS]?

[Pilip] We expect that an agreement will be reached in the discussion about it regarding the categories of property that still should be restituted. This concerns a narrow circle of organizations, legal persons comprised of natural persons of the "Pazdera and son" type, and, of course, the church property. This issue should be correlated with the economic security of the church. Nevertheless, I refuse the interpretation that the KDS intends to enhance the church position.

[LIDOVE NOVINY] So far, the KDS has not been involved in any scandal. If it is so pure and moral, how do you explain its lowest popularity of all the government parties?

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[Pilip] That is a question more for a political analyst than for a party chairman. There are many reasons. The KDS was founded as a Christian democratic party, and it wanted to be something completely different from the People's Party at the time. It has never been clarified which is the true Christian democratic party. It ended more or less in a tie, and both parties go on. Moreover, this is a country where strong prejudices against Christianity per se limit the possible attractiveness of a political party. Another problem is that many right-wing measures in the economic sphere are perceived here purely as the domain of the ODS and conceivable corrections from the workshop of other parties are not perceived as significant.

[LIDOVE NOVINY] The future of the KDS should be decided by June. Is the question of a merger with another body still being considered in the party, or is the best suited partner being sought?

[Pilip] I would like to emphasize that the time for the definite decision has not yet come. So far, there is a parliamentary party with two working departments in the cabinet and with deputies who help to form a coalition majority in the parliament. Therefore, one must wait for the definite decision regarding the future of the KDS. Namely, the political scene has its dynamics. Who could guess a month ago, for instance, how it would shake up? On the other hand, however, we are aware of our responsibility for the overall development rather than for our seats only. If the gain of 3 percent of the votes would seem likely in the elections, it would not be responsible to enter the elections alone. A similar attempt by Messrs. Dvorak and Baranek in the past elections may have cost the coalition its constitutional majority. For this reason, discussions are conducted in the party on who is politically the closest to us.

[LIDOVE NOVINY] According to the statements made by your representatives, integration is preferred to merger. How do you understand the difference?

[Pilip] Most members of the party are in favor of preserving its integrity. Therefore, the ideal form of partnership would be a coalition. Nevertheless, there are also narrower forms, the most plausible of which is operation within the framework of another party as a faction with a clearly defined platform. Assuming, of course, the willingness of the partner party to accept such a change in its internal life.

[LIDOVE NOVINY] Can your party offer so much that another body would harm its own integrity for your sake?

[Pilip] I believe it is not little. Let us just take the fact of how the KDS is perceived. One can say that its support is not high. Nevertheless, it would be difficult to try accusing it of being politically ambiguous, and that the KDS changes stands when it suits a purpose. This in itself is a credit. Another value is the combination of personalities—there are not many parties left that have in their leadership both those who gained prominence at the time of the resistance to communism, and young people who already made their name in politics. This indicates the latent dynamics of the KDS that can be utilized.

[LIDOVE NOVINY] You said that the KDS stands are not taken to suit a purpose. Nevertheless, you have been accused precisely of that in connection with your strong stance on the conduct of the Civic Democratic Alliance [ODA] and the Christian Democratic Union-Czechoslovak People's Party [KDU-CSL] in the Security Information Service [BIS] scandal. Was it not just an attempt to remind the ODS of your existence?

[Pilip] At the time the scandal broke out, newspapers were full of speculations regarding one large Christian party. There was no mention of possibly coming closer to the ODS. Only two days prior to the accusation of the BIS, the KDS voted in two instances against the ODS in the government. He[illegible], we did not speculate how what stand could benef[illegible] It was an expression of a certain disenchantment an[illegible] disgust over the course the scandal took. This came out as the first reaction from many party representatives without any genuine previous consultation of our views. This tone was then reinforced as the evidence was gradually presented that had the value of a couple of regulars in a pub chatting over their beer. This confirmed our original feeling that it is a political game with the objective of shifting the relations within the coalition. This, then, is beyond the level that is for us acceptable in politics. It is symptomatic that even those who within the framework of intraparty discussion preferred other partners than the ODS, supported the harsh policy of the ODA and the CSL.

[LIDOVE NOVINY] Despite the apparent coming closer to the ODS, the offer made to your party by the CSL is still in effect. Wherein lies the obstacle to the coming together of the two Christian parties?

[Pilip] We are resisting the formation of a parcel of Christian parties. After all, Christianity in politics has not been defined. It is only a personal attitude that can be differently reflected in actual political views. A person with such an attitude can work in social democracy or in a very right-wing party. To assess political entities on the political scale according to them having C [Christian] in their name is a very problematic task. The common denominator should be a certain degree of conservatism, traditionalism, and also some social responsibility. Even that, however, can be interpreted differently. The policy of a party is something other than the number of its religious members. People can meet on such a basis in parochial communities. Nevertheless, we understand politics as solving problems, taking stands, and forming public opinion. True, we agree with the CSL on the issue of restitutions, for instance, but it is different on many other issues.

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President Meets With Iran's Velayati

LD0703205695 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1730 GMT 7 Mar 95

[FBIS Translated Text] 'Ali Akbar Velayati, foreign minister of the Islamic Republic of Iran, today at his meeting with Slovak Parliament Chairman Ivan Gasparovic emphasized that there were no obstacles hindering exports of Iranian oil to Slovakia. Velayati's meeting with Slovak President Michal Kovac was the climax of his visit. Our reporter Jan Baranek was at the presidential residence this afternoon.

[Baranek] Iranian Foreign Minister 'Ali Akbar Velayati held talks with Slovak President Michal Kovac for about half an hour. The final meeting with the head of the state was preceded by meetings with Slovak Foreign Minister Juraj Schenk, Slovak Prime Minister Vladimir Meciar, Minister of Economy Jan Ducky, and Slovak Parliament Chairman Ivan Gasparovic. The main topics discussed at these meetings involved revitalization of economic and trade relations, the assessment of the bilateral relations and the possibilities of cooperation between the law-giving bodies of the two countries, etc.

Vladimir Stefko, the president's spokesman, informed journalists about Velayati's meeting with President Kovac.

[Begin Stefko recording] The president said that independent Slovakia had had direct contacts with the Islamic Republic of Iran since 1993. President Kovac also expressed his satisfaction with the steps the Islamic Republic of Iran had carried out in the region thus contributing to the calmness and stability in this otherwise hot area. Both parties said that there were possibilities for developing economic cooperation. The Iranian minister voiced his opinion that, let me quote, there is a wide scope of possible cooperation not only in the political area, but also in many other areas.

At the same time the minister conveyed the Iranian president's official invitation for President Michal Kovac's official visit of Iran. It is likely that prior to President Kovac visiting Tehran, a government visit to the Islamic Republic of Iran—to be made by the Slovak prime minister—will have taken place.

A great deal of talks was dedicated to the economic situation in Iran. The Iranian minister gave several concrete information saying, among other things, that Iran was undergoing a process of privatization and that the flow of foreign capital was not particularly strong, although the Islamic Republic of Iran had declared several zones of free trade on the islands and along the Iranian cost which enjoys suitable conditions attractive for foreign businessmen and foreign investors. [end recording]

Parliament Passes 1995 Budget

LD0703190195 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1730 GMT 7 Mar 95

[FBIS Translated Text] Once again we bring you live information from the Slovak parliament. Magda Pospisilova has the details.

[Pospisilova] Let me tell you that we have the results. A little while ago, after a 10-minute break dedicated to the discussion in the deputies' club of the Joint Choice coalition and the Democratic Union of Slovakia, the deputies of the Slovak National Council passed the government draft budget for the Slovak Republic for the year 1995.

Out of 138 deputies present, 83 deputies voted for the proposed draft budget, 52 were against, and three abstained.

That is all from the National Council.

SK21-Billion Deficit Expected

LD0703205295 Prague Radiozurnal Radio Network in Czech 2000 GMT 7 Mar 95

[FBIS Translated Text] The Slovak parliament today passed the budget for 1995 as presented by the government of Prime Minister Vladimir Meciar. The budget has been constructed as a deficit budget, expecting a deficit of 21 billion Slovak korunas [Sk].

Revenue is estimated to be Sk146 billion, with expenditures at 167 billion.

Passing the budget means that the three-month period of a provisional budget has ended.

Foreign Ministry Refutes Hungarian Statement

LD0703231895 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 2030 GMT 7 Mar 95

[FBIS Translated Text] The Slovak Republic has no problem in accepting European standards and legal regulations concerning the rights of ethnic minorities, nor does it have a problem with providing legal guarantees for minority policies drawn accordingly. One of the proofs is that Slovakia has joined the framework agreement of the Council of Europe on the protection of ethnic minorities, says the statement issued by Juraj Matejovsky, the spokesman of the Ministry of Foreign Affairs, in response to the statement issued yesterday to Reuter by Gabor Szentivanyi, the spokesman of the Hungarian Ministry of Foreign Affairs.

In connection with the Slovak-Hungarian talks concerning the basic interstate treaty, Szentivanyi prompted Slovakia to display stronger political will by implementing more internationally respected agreements and resolutions on minority rights into this document.

In his statement, Juraj Matejovsky emphasized that Slovakia respected these regulations and that during political talks with Hungary, Slovakia clearly showed its political will by presenting several concrete compromising proposals.

SIS Chief Reportedly Tried To Censor Article

AU0703165495 Bratislava SLOVENSKA REPUBLIKA in Slovak 28 Feb 95 pp 1-2

[Article by Viera Urbanova: "The Head of Intelligence Wanted To Censor an Article in Our Newspaper"]

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[FBIS Translated Text] Bratislava—It does not often happen that the espionage chief is hovering above an editorial office like a hawk circling its prey. SLOVENSKA REPUBLIKA had this good fortune on 26 February. Igor Cibula, the intelligence director in the Slovak Information Service (SIS), demanded on Sunday—at first, by telephone—that he be allowed to read the article ("The 'Spies' Have Left Their Posts...") before it was published. He argued that certain things could do considerable damage to Slovakia. He even promised the supervisor of the edition that, if he faxed him the article, he would not tell anyone. In the end, Cibula, a former NARODNA OBRODA political commentator, appeared in person. He appeared in person probably hoping that he would eventually be able to gain access to the material. He did not. The concern expressed by the director of the SIS 1st Section about the contents of the article (which we published in yesterday's issue) and Slovakia's good name is remarkable. The means by which the intelligence chief, a former journalist, wanted to "probe" the work of our editorial office is also remarkable.

The SIS's Party Involvement

In connection with the fact that the three most senior SIS representatives—SIS Director Vladimir Mitro, Intelligence Chief Cibula, and Counterintelligence Chief Stefan Straka—have asked the president to be relieved of their posts, claims have been made that the Information Service was working in the interest of certain political parties in the period prior to the elections. Some members of the coalition are also juxtaposing certain recent events on the Slovak political scene with the SIS's activity and with its links to the castle elite and to former Prime Minister Jozef Moravcik (Democratic Union), who came to power last March thanks to the head of state.

The governing coalition's mistrust of the SIS may also stem from the Leninist Spark [a club affiliating proreform communists] alias the Skarabeus [Scarab] affair. Jozef Moravcik, a member of the Leninist Spark, has claimed that this was an opposition organization oriented against the communist regime and, therefore, was under StB [State Security] supervision. SIS Director Vladimir Mitro came to former Prime Minister Jozef Moravcik's assistance with this version; this was even during the preelection period. Jozef Moravcik—the image of a "good" government was beginning to be created deliberately around his cabinet on all fronts—had information about the StB's secret documents and was calmly using it in public. Does this imply a close interlinking of interests between the leadership of the information service (which should be apolitical) and Moravcik's grouping?

Cibula, whom some observers describe as the SIS eminence grise and the main coordinator of the anti-Meciar campaign, has not concealed his loyalty to the Slovak president. This is fine, but only if he does not abuse his position to influence political developments and if he stays well above party intrigues. Mitro, Cibula, and Straka have declared officially that, since the government had lost confidence in the SIS, they are resigning. Official announcements of this kind, however, always have a much broader—profoundly secret—context.

Whose Head Will Ache?

The affair surrounding the Security and Information Service—which has reached the wake of Klaus's Civic Democratic Party—is currently shaking the foundations of the Czech governing coalition. The question is being raised: Who is controlling the secret service and how? In the National Council of the Slovak Republic too, there is a parliamentary commission to oversee the SIS, but it looks as though this is a commission that no one takes seriously. Least of all the SIS.

It is now Prime Minister Vladimir Meciar's move. A decision is expected on who will be nominated to replace Vladimir Mitro. The name of the prime minister's nominee could force President Michal Kovac into a corner. If it is Ivan Lexa, who has already "flirted" with this post, the president's head will certainly start to ache. And not only his.

Politicians React to Hungarian Coalition Letter

AU0503212495 Bratislava PRAVDA in Slovak 24 Feb 95 p 2

[TASR report: "A Method of Raising One's Hand in Whist"]

[FBIS Translated Text] Bratislava—Seeking support abroad for the solution to domestic political issues is always tantamount to weakness and a lack of faith in one's own forces. This method banks on pressure on the state's constitutional bodies that would improve its position in negotiations with them. This also applies in the case of the Hungarian Coalition representatives, said Augustin Marian Huska, National Council of the Slovak Republic [NR SR] deputy chairman and Movement for a Democratic Slovakia deputy chairman, in an interview with a TASR correspondent yesterday.

He was reacting to the letter sent by the Hungarian parliamentary parties to Council of Europe [CE] Secretary General Daniel Tarschys. He rejected the claims in the letter that the cabinet wants, by means of the state's new territorial-administrative division, to promote the assimilation of members of the ethnic minorities and to exclude them from its administration. He also described as misleading the claims about discrimination and the threats to the identity of members of the ethnic minorities that are, apparently, enshrined in the Slovak Government's policy statement.

A.M. Huska is convinced that such initiatives are aimed at compromising the Slovak Republic in the world and, particularly, at influencing its relations with the Hungarian Republic. "We have to bear in mind that there are

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forces that do not desire their improvement. Perhaps, these forces are convinced that the best way of negotiating is by a method of raising one's hand, as in whist. That is, systematically increasing requirements in the hope that we will then be able to withdraw from the higher claims and thus achieve more." According to the parliamentary deputy chairman, the accommodating steps taken by the cabinets of Vladimir Meciar and Gyula Horn are sufficient proof that official circles in the two states have a clear idea about the quality of mutual relations.

"The improper course of action pursued by the Meciar government and the governing coalition's deputies played into the hands of the initiative." This was Christian Democratic Movement [KDH] Chairman Jan Carnogursky's comment, made to TASR yesterday, on the contents of the Hungarian Coalition's letter. J. Carnogursky also said that the KDH supports Slovakia's territorial-administrative division based on the principle of restoring the 16 counties that evolved historically in Slovakia at the time of the Hungarian Kingdom. In connection with the government's intention to introduce alternative education, he emphasized that the KDH approves of this solution in principle, because parents in South Slovakia are also interested in this type of schooling. Eduard Kukan, former foreign minister and NR SR deputy for the Democratic Union of Slovakia, reacted to the letter from the three Hungarian political parties to CE Secretary General Daniel Tarschys by saying that he would consider it more correct if such issues were dealt with at home.

The Slovak National Party [SNS] considers the Hungarian Coalition's letter to be "a bunch of half-truths and misleading claims in a style typical of them." This is what the party says in its statement on the letter written by representatives from the three Hungarian political parties in Slovakia. According to the statement, the SNS considers the territorial-administrative division to be the Slovak Republic's sovereign internal affair. The contents of the letter indicate that it is of the utmost relevance for legal measures to be adopted against such manifestations, says the party in its statement, which was handed to TASR yesterday by SNS First Deputy Chairwoman Anna Malikova.

Union of Industry Integrated Into AZZZ SR

AU0803081895 Bratislava SMENA in Slovak 4 Mar 95 p 2

[TASR report: "Union of Industry Ceased To Exist"]

[FBIS Translated Text] Bratislava—Yesterday's General Assembly of the Union of Industry of the Slovak Republic voted to end the existence of the union as an independent legal entity and, at the same time, approved the union's integration into the structures of the Association of Employers' Unions of the Slovak Republic (AZZZ SR). The main goal and purpose of the decision was to eliminate a certain duplication as practically all branch associations represented in the Union of Industry were also members of the AZZZ SR. Integration into the new structure is expected to result in a more consistent enforcement of the interests of the industrial sphere in relation to the government within the framework of the tripartite council.

Jozef Kollar, president of the Union of the Chemical and Pharmaceutical Industry of the Slovak Republic, stressed that only unification and a concentration of the joint efforts of all branch industries could lead to the successful assertion of Slovak industry, especially in the sphere of foreign relations. The AZZZ SR will become the successor to the Union of Industry of the Slovak Republic in foreign organizations of which the union has been a member.

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Russia To Continue Receiving Spent Fuel Rods

LD0703203595 Budapest MTV Television Network in Hungarian 1830 GMT 7 Mar 95

[FBIS Translated Excerpt] It has been raised during Prime Minister Gyula Horn's negotiations in Moscow that Russia will continue to accept the return of the spent nuclear fuel rods of the Paks Atomic Power Station, because the Paks temporary storage yard for the nuclear waste is planned to be completed only in two years time. The Hungarian Academy of Sciences held a consultation today about possible long-term actions regarding the unwanted radioactive materials.

[Correspondent] The scientists who participated in the closed session, believe that, for the time being, it is vitally necessary for Hungary that Russia accept back the spent fuel rods. However, it is not a long-term solution. A storage place for the nuclear waste must be found here in Hungary. [passage omitted]

The solution is the expansion of the capacity of the temporary storage yard at Paks and the construction of a permanent storage yard somewhere else, but not along the Danube. The academicians believe that storing the dangerous waste in Hungary is cheaper for Hungary.

[Begin unidentified speaker recording] Transporting radioactive waste costs several times more than storing it at home. [end recording]

[Correspondent] According to plans, the temporary storage yard at Paks will be able to take all the spent fuel rods from 1997 on. [passage omitted] Experts say that after Horn's negotiations in Moscow, the picture will become clear. In any case, until the temporary storage yard is fully completed in two years' time, we need Russian goodwill, because the Paks atomic power station has a concrete contract with Russia only for 1995. [passage omitted]

According to the mayor of Paks, local residents have learned to live with the power station and resigned themselves to the construction of the yard. They ask only that the authorities adhere to the original agreement.

[Begin unidentified speaker recording] Only material from the Paks atomic power station can be stored here. In other words, no material from abroad can be placed here, whatever the excuse or justification. [end recording]

Yeltsin, Horn Meeting Viewed at News Briefing

LD0703132995 Budapest Kossuth Radio Network in Hungarian 1100 GMT 7 Jan 95

[FBIS Translated Text] President Yeltsin met with Hungarian Prime Minister Gyula Horn in Moscow this morning, after which Horn gave a press briefing. Our correspondent, Janos Molnar, reports:

[Molnar] The fact that Hungary intends to join NATO does not affect our bilateral relations, Boris Yeltsin said at his talks with Prime Minister Gyula Horn, which lasted for about half an hour this morning, At an international press briefing held after the meeting, Horn said that Moscow considers the matter of joining NATO Hungary's sovereign right and recognizes that every state decides independently on matters related to its own security.

Both sides agreed that Euro-Atlantic integration is not a campaign trick but a long-term process, during which countries applying for admission have to meet the conditions set for their accession.

In answer to a question, Horn said there is a need for further consultations. He recalled that NATO member-states have been continuously holding coordination talks with the Russian leadership, and referred to the fact establishing a European security system without Russia is inconceivable. The Russian side appreciated Hungary's role in the position of current chairman of the Organization for Security and Cooperation in Europe [OSCE] and Hungary's proposals for solving the Chechen crisis.

Horn said economic cooperation was at the center of his talks with Viktor Chernomyrdin. The Hungarian delegation made concrete proposals aimed at eliminating imbalance in foreign trade. As a result of this, for example, the ministries in charge will in the near future examine the idea according to which Hungary could pay for at least 50 percent of Russian gas deliveries with goods: buses, spare parts, medicines, and food products.

Regarding the repayment of [Russian] debts, an agreement in principle has been concluded according to which the Russian side will, within a few weeks, pay its debt of $150 million accumulated during 1991. The former Soviet debt of $900 million will be paid for by goods deliveries. Horn said Moscow will deliver weapons for about one-third of the amount, while the remainder of the debt will be offset by the delivery of ships, oil, and gas tanks, tractors, and combine-harvesters to Hungary.

It was also mentioned at the talks that in return for a part of the debt, Russian companies will participate in the extension of the Budapest metro; or within the framework of the earlier prepared Russian-Ukrainian-Hungarian construction, Ukraine will produce electrical energy from Russian coal for Hungary.

It was also mentioned at the talks that Moscow will take Hungary's supply into consideration more seriously in the course of compiling the Russian public sector orders.

Trade Union Leader, Financial Leadership at Odds

AU0803100895 Budapest NEPSZABADSAG in Hungarian 7 Mar 95 p 4

[Article by Imre Bednarik, Tibor J. Keri, and Erzsebet J. Kun: "Socialist Deputy's Statement on Reasons for His Decision"]

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[FBIS Translated Text] Changes have recently taken place in certain issues that affect the government program and that are very important for the trade unions, the National Federation of Hungarian Trade Unions [MSZOSZ], and for me personally, says Sandor Nagy [chairman of the MSZOSZ and member of the Hungarian Socialist Party, MSZP]. The first indication of this was the new finance minister's [Lajos Bokros] announcement that no assets need to be given to the Social Insurance. Following this, Bokros questioned certain points of the privatization law that had been formulated during long weeks of work, with compromises; had been supported by the parliamentary group; and had also been part of an Interest Coordination Council [ET] agreement. Lastly, the government is submitting the Labor Code to Parliament although the trade unions do not agree with it.

Although the [MSZP] parliamentary group has not made a final decision on these issues and our views on the privatization law are identical, I nevertheless believe that the government supports those views that are far from my opinion, Nagy said. Under these circumstances, I had to assess whether, in this large group of deputies, I could continue to lead an important working group that deals with all financial and economic laws, whose task it is to form the position on amendment motions and coordinate with the government and the coalition, or whether I could conclude that this situation is unacceptable for me. Without trying to dramatize this step, I concluded that I cannot perform this job in these circumstances, and this also affects my membership in the parliamentary group's executive committee.

In connection with the privatization law, Nagy said that the finance minister mainly questioned the points achieved in the ET agreement. This means that has now become questionable whether the employees representative should also be part of the new privatization organization's board of directors; whether the employee side will give its opinion on the new statute and the rules of competition; and whether, in the course of privatization, the employees' agreement will be required in connection with decisions on the fate of social and welfare establishments. In the discussions, it was rather obvious that any possible change here is unacceptable to me and my step was predictable. Gyula Horn, chairman of the MSZP and prime minister, was also present at the parliamentary group's session and he did not comment on my decision. Nevertheless, the parliamentary group's executive committee acknowledged my decision and suggested that I continue the work I have previously performed, while the debates are in progress. Naturally I agreed to do this.

To the suggestion that his step is connected to the forthcoming workers councils elections, Nagy said: Some basic values do exist, and one of these is the fact that when the situation and the views change, then this has to be discussed with the people affected. If the government does not want to adhere to the agreement achieved at the ET, then this also has to be discussed with the social partners. I find it unacceptable to disregard this and to just state the new position, Nagy said in conclusion.

According to our information, Laszlo Keller or Gyozo Soos might replace Nagy as leader of the working group.

Strain in Government-Trade Union Relations Noted

AU0703170195 Budapest NEPSZABADSAG in Hungarian 7 Mar 95 p 3

[Editorial by Gabor Miklos: "The Second Act"]

[FBIS Translated Text] The current internal conflict within the Hungarian Socialist Party [MSZP] is part of the Hungarian modernization crisis. This is the second act, but the drama is not yet over. This is like the old farce where only the name and character of the players are known, as well as the setting, and then the play develops on its own. It might become a thunderous comedy or a bloody tragedy. We hope that the knife will only gleam behind the scenes.

All this is not a joke: It affects a lot of us. Should the employees be present, in dealing with privatization or supervising it? Should they be able to interfere in the postprivatization fate of welfare institutions? How should the trade union role be asserted at signing the collective agreements? We are aware of debates on these points, as well as on the planned changes in the labor law and the differences of views surrounding the reelection of factory councils.

The government got into a conflict with the allied trade union leaders. A natural difference of interests, rather than cooperation, has emerged between the Socialist-led government and the trade unions close to the MSZP. One could see how this new tension was emerging along with the failure to sign a social-economic agreement. It has now become clear that Laszlo Bekesi was not the main obstacle hindering the assertion of trade union positions. It has also become clear that Prime Minister Gyula Horn is more committed to the Bokros program than to the policy represented by the trade union leaders.

What dilemmas did the prime minister have? He has been under concentrated attack in recent weeks. He has been accused of delaying privatization, of his party's being anticapitalist, and of not being firm enough when it comes to market or Western measures. Horn was attacked by his coalition partner, the press, prestigious foreign economic circles, and politicians. A strange psychological situation emerged in which the head of the parliamentary group with an almost three-fourths majority could feel pressured. The opposition's sympathy only increased the force of internal attacks on him.

We saw that with the appointment of the Bokros-Suchman-Suranyi trio the attacks turned into expectations. It became clear, however, that the finance minister's program and the new privatization minister's concepts are in conflict with the interests attributed to the trade unions. This happens, for example, when they say that the social security must choose between property

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and state support and when the tireless compromise-seeker Suchman says that privatization should be depoliticized in such a way as to make sure that the trade unions are also left out. People who thought that a restructuring of the the coalition was quite near were also disappointed. It is Sandor Nagy in the MSZP faction who has consistently criticized the Alliance of Free Democrats [SZDSZ]. He did the same in his television interview on 6 March, in which he announced his resignation from various positions. What he said is a whole line of things. In a whole line of issues, the government turned against the position represented by the trade unions, so he cannot accept leading positions in the MSZP group in the parliament. The question is how the members of the MSZP parliamentary group will take all this. Will they accept the fact that, in the given situation, they have to support a program that has not been coordinated with the parliamentary group? Will they be able to accept the fact that the social and employee viewpoints are now forced into the background? Will they regard the departure of Nagy and Paszternak as a heroic gesture and a protest against the advance of the SZDSZ?

The drama is not over, and the extras might become important episode actors. This is only the second act.

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Walesa Withdraws Objection, Signs Budget Law

LD0703153795 Warsaw PAP in Polish 1528 GMT 7 Mar 95

[FBIS Translated Text] Warsaw, 7 Mar (PAP)—Polish President Lech Walesa signed the budget law for 1995, dated 30 December 1994, the president's press office announced today.

The president withdrew his motion against the budget law from the Constitutional Tribunal earlier today. At its meeting today the tribunal decided to discontinue proceedings with regard to this matter.

Meets With Sejm Speaker

LD0703143295 Warsaw PAP in Polish 1320 GMT 7 Mar 95

[FBIS Translated Text] Warsaw, 7 Mar (PAP)—President Lech Walesa met with Sejm Speaker Jozef Zych today, presidential spokesman Leszek Spalinski told PAP.

Spalinski said that it was a matter-of-fact meeting. The president and the speaker declared their willingness for cooperation. Lech Walesa asked the speaker to withdraw an amendment to the small constitution which provides for the abolition of a break in the Sejm's activities between two terms of office, in the event parliament is dissolved. Jozef Zych said that he will present the matter to the Sejm Presidium at its next meeting as well as during a meeting of the PSL [Polish Peasant Party] parliamentary floor group.

Bartoszewski Comments on Holy See Concordat, Ties

LD0703131495 Warsaw PAP in Polish 1224 GMT 7 Mar 95

[FBIS Translated Text] Warsaw, 7 Mar (PAP)—New Foreign Minister Wladyslaw Bartoszewski considers the ratification of the Concordat with the Holy See as the most urgent matter and has announced that the first ambassador he will appoint will be the Polish Republic's ambassador to the Vatican. The fact that this post has not been filled for almost a year he regards as "embarrassing."

On Tuesday at the first meeting with journalists after taking office, Bartoszewski said that Poland should conduct a balanced policy of good relations with its neighbors, "which have to be thought over again." He announced that in the coming weeks he would be holding talks on Poland's integration with the European Union and NATO. He said, however, that he did not believe that Poland's full integration with these structures could be completed before the year 2000.

In his opinion, the East European countries should be accepted "the way they are, with their internal choices and decisions." When assessing Polish-Russian relations he stressed that cliches prevailed on both sides but that knowledge about one another, or attention, were lacking. Bartoszewski said that there would be better coordination of foreign policy. "It is not a good thing when there are separate economic and cultural policies, or individual policies of political parties." He also came out in favor of the continuation of Andrzej Olechowski's reforms within the Foreign Ministry and in favor of the separation of the civil service from the political posts within the ministry. In this respect, he said, he thought he was better placed to reach an agreement with the coalition than his predecessor.

Bartoszewski Interviewed

WS0803143095 Warsaw ZYCIE WARSZAWY in Polish 8 Mar 95 p 11

[Interview with Polish Foreign Affairs Minister Wladyslaw Bartoszewski by Cezary Gmyz; place and date not given: "Political Life Is Not a Series of Turning Points but a Continuum"]

[FBIS Translated Text] [Gmyz] Professor, how did it happen that you became foreign minister so unexpectedly?

[Bartoszewski] I came to Warsaw from Vienna to discuss the January ceremonies at Auschwitz. I scheduled a meeting at the president's Chancellory for this purpose. Upon my arrival in Warsaw, on 28 February, the president suggested he would appoint me as his candidate for the office of foreign minister. None of my arguments—my advanced age and the limited abilities it entails, the success of my mission in Vienna, lack of insight into the affairs of certain remote regions—convinced the president. He had his powerful arguments, which I shall not repeat. He coaxed me with determination. He demanded I reply immediately. I gave him what I call a diplomatic response, hoping that further circumstances would absolve me of taking such a load upon my shoulders. I told the president I could not prevent him from dropping my name in his negotiations with the prime minister if he considered it prudent. The president usually mentions the names of two or three candidates for various posts. I thought that if I agreed for my name to be one of those suggested, it would be a minimal consensus between me and the president, whose opinions I respect. On March 2, Lech Walesa presented my candidacy to the prime minister-designate, Jozef Oleksy, who approved it on the very same day without further negotiations. On the next day, Jozef Oleksy informed me that I was also his candidate. There was no turning back.

[Gmyz] You have entered a government formed by postcommunists. How will a man with your anticommunist past feel being part of such a cabinet?

[Bartoszewski] There have been historical precedents. In 1945, Stanislaw Mikolajczyk entered a similar government, only worse, as it was not legitimized by free elections. Society generally considered the system at the time as Soviet occupation, pure and simple. Yet you

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cannot compare the situation back then with current times. Today, we have a government formed by a parliament elected by our citizens, who voted as they did. I must add that labeling the entire government as "postcommunist" is an oversimplification. Even if the prime minister was a high-ranking official of the communist party, many members of the current cabinet never belonged to the Polish United Workers Party. Some were members of the United Peasant Party, but others did not belong even to that group. It is an exaggeration to use the term postcommunist to refer to a cabinet where the three key ministries—the Ministry of National Defense, the Ministry of Internal Affairs, and the Ministry of Foreign Affairs—are headed by people who never had anything to do with communism. It is true that a postcommunist prime minister heads the government. The situation is similar in Hungary, with the only difference being that the current Hungarian prime minister represented the Soviets during the fighting in Budapest in 1956 and fought against his native people. Today, the whole world accepts that prime minister. This is what people are like, this is what the world is like, this is what voters are like.

[Gmyz] Do you not fear, professor, that one day the coalition might begin planting obstacles in your path? That it might, for instance, take up an independent foreign policy, as it was when Minister Olechowski was in office, when several centers carried out foreign policy single-handed?

[Bartoszewski] If I was fearful, I would not have participated in "flying universities" in the past, nor would I have been active in the Committee for Defending People Persecuted for Their Beliefs. The prime minister assured me foreign policy will be consistent.

[Gmyz] Despite everything, policies are implemented on several levels. Offices of Trade Counsel, for example, do not always confine themselves to economic policies.

[Bartoszewski] I can tell you that over the next several days I will hold serious talks with Minister of Foreign Economic Cooperation Buchacz. He himself came forth with the initiative immediately after the cabinet was sworn in. He came to the conclusion that our operations should be coordinated. This is only a question of time. Since that minister asked for God's support (four members of the government, Ministers Bartoszewski, Buchacz, Okonski, and Pietrewicz, ended their oath before the president with the words "So help me God"—C.G.), I have grounds to claim the atmosphere is good. I do realize, however, that we need time to reach perfection.

[Gmyz] You were a member of Stanislaw Mikolajczyk's Polish Peasant Party [PSL]. What do you think of the present-day PSL?

[Bartoszewski] I am not a member of that grouping. I still feel committed to the choice I made back then, at that historical moment. At the time, this was the only legal party in opposition to the Lublin camp [which put the first postwar government in place]. I was always faithful to my party, even in prison. Since then, I have never belonged to any party.

[Gmyz] To which of the political parties on the current political scene do you feel closest?

[Bartoszewski] I can assure you I will not join any party. As far as my emotional and ideological sympathies are concerned, you can easily look them up in TYGODNIK POWSZECHNY. I have always been on the editorial board of that paper, and I do not intend to change that. This is a very telling fact, although TYGODNIK is not a political party. It does, however, represent profound moral values, it has been through serious trials in the past and managed to overcome all predicaments with dignity.

[Gmyz] You are probably the first chief diplomat to claim there will be no turning point in our Eastern policy.

[Bartoszewski] There will be no turning points whatsoever. Turning points require strong will and even passion on both sides. The will for a turning point must be concurrent. Political life is not a series of turning points, but a rational continuation wherever possible. I do not have any specific concept for concrete action as far as our relations with Russia are concerned. If I did, I could sell it for a huge amount of money to about a dozen states in the world. A better form of cooperation between Russia and other European states should be invented. I, on my own behalf, wish to declare a maximum of my good will.

[Gmyz] Could the idea suggested by one of the Democratic Left Alliance's deputies of forming a Berlin-Warsaw-Moscow triangle be a solution for integrating Russia with Europe? Minister Olechowski spoke against multiplying geometrical figures.

[Bartoszewski] I must say that I was the worst student in geometry and arithmetic in the Catholic schools I attended. I thus support Minister Olechowski's opinion. As an historian, I cannot remember any such geometrical figure that would make sense and be successful. This does not, of course, imply it would be completely impossible. My motto is "to each his own," with emphasis on "own." Everyone should furnish their house as they wish. They have no right to furnish other people's houses for them.

[Gmyz] It seems Russia understands the word "own" in a particular way. I mean the Chechen conflict. Our society is outraged with it.

[Bartoszewski] This is rooted in our traditions. These reactions are a sound symptom of Polish sensitivity. The political possibilities, however, are limited. States which have far more powerful instruments of exerting political or economic pressure are cautious. I do hope, however, that calm will come after the current storm.

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[Gmyz] What are the priorities of our diplomacy thus to be?

[Bartoszewski] I wish to state my preferences clearly: good relations with all our neighbors, stressing the importance of the Weimar triangle and the Visegrad group, and contacts with EU member states. I wish to stress—with all states. Austria, for example, had the greatest difficulties in entering the EU because of Spain. If we want to pave our way to EU, we must make certain efforts—I will not call them matrimonial—and at least be friendly towards all EU members.

[Gmyz] You are one of those rare politicians who doubts we can become a EU member before the end of the century.

[Bartoszewski] Perhaps some intermediary solutions will be found in the meantime. Politically speaking, we have already planned all international meetings through the year 1996. None of the variants provides, in any way, for Poland's joining EU. This is possible only after 1997. I do not believe, however, that some stunning acceleration will take place after that time. Austria, for instance, began to exemplify its intentions nearly six years ago, and it was accepted into the EU only recently. Let us not delude ourselves—despite a ceremonious declaration of neutrality, Austria had much stronger ties with the EU than we do.

[Gmyz] You have announced that the first ambassadorial appointment you will make will be a candidate for the Holy See.

[Bartoszewski] I hope I will be able to present a candidate for that post by the end of the week. I will not hide the fact that one of the most urgent nominations I am especially keen on making is to the long-vacant post in Israel.

Report on Council of Ministers 7 Mar Decisions

LD0703164995 Warsaw PAP in Polish 1447 GMT 7 Mar 95

[FBIS Translated Text] Warsaw, 7 Mar—The Council of Ministers decided today that within a month the government members will prepare a detailed schedule of the implementation of the program outlined in the prime minister's Sejm statement.

Grzegorz Rydlewski, the Council of Ministers' new secretary, told PAP journalists after the meeting that the government put all the ministers under the obligation to present, by 18 March, a schedule for the completion of the overdue legal acts, the issue of which was envisaged by the timetable for legally submitted acts.

It has been decided that each minister will be obliged to personally attend government meetings, and that the ministers and their representatives will always present a uniform position on issues under discussion, and will not reveal any differences of opinion or doubts.

Today the government also appointed a programatic team which will coordinate the work of individual ministries. A procedure for reaching intergovernmental agreements was also adopted. It envisages, among other things, that only matters already examined by government committees will be discussed at government meetings.

Arms Trade Law Revised to Western Standards

WS0703150595 Warsaw POLSKA ZBROJNA in Polish 7 Mar 95 p 3

[Article by Pawel Wieczorek: "Western Standards: Organizing the Arms Trade"]

[FBIS Translated Text] The system of state supervision of special trade in Poland, as well as initiatives targeted at international transfer of advanced technologies, must be viewed in the context of attempts at gradually incorporating our country in West European and Atlantic integration structures.

Adopting formal and legal solutions on the trade of special goods, which would be analogous with those of the West, was a precondition for lifting restrictions on the transfer of modern technology to Poland and—as a consequence—a premise for developing cooperation with EU states and NATO in the field of the defense industry.

Two Statutes

Two [as published] acts shall constitute the formal and legal grounds for exerting control over special trade:

—A statute dated 2 December 1993 on the principles of special control over turnover of goods and technologies pertaining to international agreements and obligations;

—A statute on the principles of special control which—together with respective executive regulations—is currently in the final phase of interministerial consultations and shall soon be presented for debate to the Council of Ministers;

—A statute on the principles of special control, which became effective on 25 March 1994, the executive regulations to which were published on 9 September 1994. This statute's objective scope is the same as legal regulations in the West.

The implementation of statutory provisions will involve certain costs, related primarily to the establishment of so-called supervisory teams. Financial difficulties were the main reason why the procedure of interministerial consultations took so long and will probably hinder the creation of control structures provided for by the statute.

Responsibility for the implementation of the statute rests with the Ministry of Foreign Economic Cooperation [MWGzZ], within which there exists a qualified unit (Bureau for the Turnover of Goods and Technology

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Under International Supervision). In agreement with the Ministry of Foreign Affairs, MWGzZ establishes the list of goods and technologies falling under special control.

The subject of regulations within the draft statute on special turnover has thus far not been included in any regulation ranking as high as a statute, which diverged from practices applied in NATO countries. It is unquestionable that due to the particular meaning this branch of foreign trade has for national defense and security, this form of legal act is most appropriate and prudent.

Efficient Control

Practice shows that breaking the state monopoly on special turnover (51 companies were licensed to carry out special turnover with foreign countries in 1994) and leaving the regulation of these issues to general provisions of the law will not guarantee competent government agencies with the efficient means to control this area of trade exchange.

Legal regulations included in the draft statute on special turnover extract the entire sphere of exports and imports of goods, services, and technologies with military applications from the regulations of the hitherto statute dated 23 December 1988 on business activity, and suggest solutions which, to some extent, contradict the statute's very essence.

As far as the guiding principle of the aforesaid statute is free and equal access of companies to economic activity in the broadest sense, in light of the postulated regulations the above rule will be greatly limited.

Far-reaching state control is to help guarantee that companies implementing special transactions will be chosen carefully, and—most of all—to ensure liberal and flexible state policy on arms trade.

It is currently difficult to estimate the total cost of implementing the statute on special turnover. It will depend on the factual costs of establishing the control structures. The Central Engineering Board could become an ancillary unit to MWGzZ on issues pertaining to special trade. The legal status of that institution, however, remains to be clarified.

Temporary Solutions

Until the statute on special turnover is passed and effected, regulations ensuing from the statute dated 23 December 1988 on business activity remain obligatory. On the basis of this statute MWGzZ issues the list of goods and services the foreign trade of which requires a license.

The list of countries to which Poland applies arms trade restrictions (the so-called negative list) is compiled on the basis of a separate resolution passed by the Council of Ministers. It precludes the possibility of special turnover with countries under UN embargo.

In 1994, this type of embargo was imposed on Iraq, the countries that emerged after the collapse of the former Yugoslavia, Somalia, Libya, Liberia, Haiti, Angola, and Rwanda. Embargoes or restrictions on special trade with other countries—apart from those mentioned above—require separate resolutions of the Council of Ministers.

In June 1994, the Sejm of the Republic of Poland passed a resolution calling for the government to shorten the negative list to include only countries under UN embargo. Regardless of this, it is worth noting that the number of countries on which Poland has imposed restrictions on special trade is—aside from states under UN embargo—very small.

Despite certain discrepancies as to specific provisions on special turnover in legal regulations between Poland and NATO states, one may state that the legal system which will function in Poland once the statute on special turnover with foreign countries comes into effect will fulfill requirements obligatory in the West.

Establishing an effective mechanism of state control over special trade will entail certain costs. It is not certain whether the state budget for 1995 will adequately provide for these needs.

Cabinet Establishes Anticrime Committee

LD0703202695 Warsaw Polskie Radio First Program Network in Polish 1800 GMT 7 Mar 95

[FBIS Translated Text] At its first meeting the government set up a team to combat crime. Prime Minister Jozef Oleksy is chairing the committee, and Marek Borowski, head of the Office of the Council of Ministers, has been appointed his deputy. Ministers of internal affairs and justice, the head of the State Protection Office and the chief police commander are members of the team. Marek Borowski said that the team should prepare a package for immediate action within a fortnight.

[Begin Borowski recording] We would like to propose legislative measures in connection with amendments to the Penal Code and the Penal Proceedings Code. Another issue is to speed up the pace of work in the Sejm on what is already there. This concerns police laws and some other issues. When it comes to other immediate issues, it was pointed out that the minister of internal affairs and the chief police commander should, when working in the team, concentrate the means at their disposal on the greatest threats, and that their proposals should also be of internal nature. The idea is to have a good look at the budget of the Ministry of Internal Affairs and specific items of expenditure, the employment structure, and to think whether there are some possibilities for relatively fast and immediate measures. [end recording]

Andrzej Milczanowski, minister of internal affairs, said that there should be no illusions when it comes to

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providing the police with considerable financial help from the reserves of the Council of Ministers.

[Begin Milczanowski recording] This help will certainly not be considerable. I would like to say very clearly and I am able to prove it by detailed data that I do not have any possibilities to reallocate resources within the ministry. [end recording]

Poll Shows Walesa Losing After Dispute

WS0703133995 Warsaw RZECZPOSPOLITA in Polish 4-5 Mar 95 p 2

[Article by Renata Wrobel: "Social Research Laboratory for RZECZPOSPOLITA; Big Audience of President-Coalition Dispute"]

[FBIS Translated Excerpt] More than two-thirds of Poles were interested in the dispute between the president and the governing coalition of the Democratic Left Alliance and the Polish Peasant Party. As a result of the dispute, Lech Walesa lost in the eyes of nearly 50 percent of respondents; he gained in the eyes of only every sixth person. The poll was conducted at the order of our daily by the Social Research Laboratory [PBS] in mid-February. [passage omitted]

People Care About It

Even though we are not a society overly interested in politics (which is proven by numerous opinion polls), a long dispute that involves the highest authorities of the state and that is full of dramatic developments, attracts the attention of the public. Interest in the conflict was declared by 69 percent of respondents. This interest is most often rather "lukewarm": 12 percent of the residents of our country are immensely interested in these affairs, 22 percent are only moderately interested, and 35 percent—only a little interested. Others receive this conflict with indifference (8 percent are not interested at all).

The interest in developments linked to the dispute between the president and the coalition is biggest among well-educated people (such interest is declared by nine out of 10 people in this group), people holding high offices, living in big towns and cities, as well as people with fairly fixed political views, who declare a readiness to vote for a specific party. The greatest degree of indifference is noted among school and university students (and, generally, young people), unemployed persons, as well as women who do not work but who take care of a household. However, even in these groups approximately 50 percent of respondents are following—not necessarily very closely—what is going on between the president and the coalition.

President Mostly Lost

Most observers admit that the one who initiates tension is Lech Walesa. This does not increase his popularity or prestige among the people, opinion polls suggest. Just as in previous months, nearly 70 percent of Poles still do not accept the manner in which the president is performing in office. Nearly half of the respondents (46 percent) say that after recent political developments the president has lost in their eyes. According to 37 percent, the dispute with the coalition did not affect their attitude toward the president, and 17 percent of respondents improved their opinion of the head of state thanks to the conflict.

Lech Walesa gained the most among supporters of the Nonparty Bloc in Support of Reforms, "Solidarity," and rightist groupings, as well as among private entrepreneurs and educated people. Skirmishes with the coalition discouraged first of all supporters of the parties which make up the government, sympathizers of the Union of Labor, blue-collar workers, housewives, and farm workers.

* * *

The poll was conducted for RZECZPOSPOLITA by PBS on 18-19 February 1995 on a representative sample of 1,080 adult residents of Poland.

No Return to Old System

WS0703153295 Warsaw RZECZPOSPOLITA in Polish 7 Mar 95 pp 1-2

[Article by Renata Wrobel: "Public Opinion Research Laboratory for RZECZPOSPOLITA; Pale Specter of PRL"]

[FBIS Translated Excerpt] The fact that power in Poland was taken over by the Democratic Left Alliance [SLD] and the Polish Peasant Party [PSL], which was a consequence of the last parliamentary elections, does not mean a return to the political system that we had before 1989, believes every second resident of our country. More than every fourth Pole says, however, that for over a year now "the new has been coming back." The poll was conducted for us by the Social Research Laboratory [PBS] in late February.

Opposition Is More Frightened

The results of our poll indicate that half of the citizens of our country cannot see any symptoms of a return of the political system we had before 1989. An opposite opinion is expressed by a fairly large group of respondents (29 percent). The others (21 percent) are unable or unwilling to take a stand on the issue. The latter include first of all young people, who least remember the Polish People's Republic [PRL] and, in addition, are not really interested in current political affairs.

The opinions clearly depend on the political sympathies of the respondents. A return to the old system is most often mentioned by supporters of oppositional groupings, from the Confederation for an Independent Poland [KPN] to the Freedom Union [UW]. These accusations

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are warded off by potential voters for the coalition parties—SLD and PSL, as well as the Union of Labor [UP].

Some Fear, Others Hope

Holding back the reforms, centralization trends, a personnel policy based on personal contacts and party affiliation, as well as distrust toward free press—the SLD-PSL coalition often must ward off such charges, leveled at it by those of its opponents who warn against a "return of PRL." Coalition politicians say then that Poland is separated from the times of real socialism by the free elections, multiparty system, free-market reforms, and civil liberties.

These issues were one of the main topics discussed during last week's debate on the government's program in the Sejm. The discussion was triggered by the words spoken by Prime Minister Jozef Oleksy in his Sejm speech: "The Republic of Poland, despite the fears of some and the hopes of others, will not be another PRL." The prime minister was backed by his party colleague Aleksander Kwasniewski, chairman of the Social Democracy of the Polish Republic, who gave assurances that there cannot be a return to PRL in Poland; he called such allegations "simply a cliche and a stereotype." He said that the changes involving democratic procedures, civic liberties, human rights, Poland's sovereignty, a free market economy, and privatization, are irrevocable. [passage omitted]

Does the Governing of SLD and PSL Mean a Return to the Political System That We Had Before 1989? (Opinions of supporters of the given parties—number in percentage points)

KPN: yes—59, no—31

"Solidarity": yes—46, no—36

Alliance for Poland: yes—46, no—40

Non-Party Bloc in Support of Reforms: yes—43, no—48

11 November Accord: yes—41, no—47

UW: yes—39, no—45

UP: yes—27, no—61

PSL: yes—18, no—64

SLD: yes—15, no—75

All respondents: yes—29, no—50

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The poll was conducted by PBS for RZECZPOSPOLITA on 18-19 February 1995 on a representative sample of 1,080 adult residents of the country.

Rightists Discuss Situation After Congress

WS0703132095 Warsaw RZECZPOSPOLITA in Polish 7 Mar 95 p 2

[Article by Marcin Dominik Zdort: "After Fourth Congress of Christian-National Congress; Confused Right Wing"]

[FBIS Translated Text] The victory of Ryszard Czarnecki, but at the same the defeat of his closest aides (among other people, Stefan Niesiolowski) in the elections to the Main Administration of the Christian-National Union [ZChN], confused rightist partners of party. They expected that during the congress the situation within ZChN would be sufficiently clarified and that it would be possible to make decisions on the method of further integration of the right wing and on the election of a joint candidate for president.

Council and Administration Divided

Meanwhile, the 10-member ZChN Administration includes now five supporters of Lech Walesa as a candidate for president—among others, such people as Halina Nowina-Konopczyna (linked to Jan Lopuszanski) and Arkadiusz Urban (linked to Henryk Goryszewski). Moreover, the seats in the ZChN Chief Council (an organ that decides the party's program and strategy), which was elected after the administration's election, were distributed among all the factions. Even though Jan Lopuszanski (who wanted to show his dissatisfaction with the victory of Ryszard Czarnecki) did not run for the leadership of the party, the council includes other supporters of Lech Walesa, such as Henryk Goryszewski and Miroslaw Jakubowski. In the first round of elections, seats in the council were won by, among others, Goryszewski and former ZChN Chairman Wieslaw Chrzanowski; in the second round, a seat on the council was won by Stefan Niesiolowski, former deputy chairman of the union, who lost the elections to the administration.

Kaczynski: I Am Waiting For a Meeting

"I cannot say what is the relationship of forces in the ZChN leadership, what it is like in the administration and what it is like in the Chief Council," says Jaroslaw Kaczynski. According to the leader of the Center Accord, it is a good thing that the elections were not won by those who want to back Lech Walesa in the presidential elections; however, it is still difficult to say today exactly what new decisions will be made by the new leadership. "I hope that in the next few days a meeting will be held with the new leadership which will clarify the present situation," Kaczynski adds. "It would be good if the leadership pursued a policy specified by Wieslaw Chrzanowski, oriented toward cooperation with the Alliance for Poland and the 11 November Accord."

Michalkiewicz: Chairman Tightly Surrounded

The continuation of "Chrzanowski's policy," announced by Ryszard Czarnecki, is a cause of concern for Stanislaw Michalkiewicz of the Union for Real Politics [UPR].

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"If it [this policy] is to entail, as Professor Chrzanowski said in an interview with RZECZPOSPOLITA, rejection of all doctrines, it would be very bad. We always placed emphasis on the doctrinal and programmatic, not pragmatic character of the alliance that is being formed in the right wing," says the UPR political secretary. Michalkiewicz notes that Ryszard Czarnecki, the new chairman, was quite tightly surrounded by his opponents in the administration and the party's policy will now be determined "not by Czarnecki's decisions, but by the delicate balance in the administration." "Despite that, Ryszard Czarnecki's position will undoubtedly be stronger now than it was before the congress," believes the UPR leader.

Hall: Strzembosz Will Pull Rightist Parties Closer to Each Other

According to Aleksander Hall, the key to integrating the right wing now is the presidential elections. "If ZChN decides to support the candidacy of Adam Strzembosz, then the process of integration will certainly be easier," stresses the leader of the Conservative Party. "Even though Ryszard Czarnecki's policy has not been really clear to me so far, I do hope that this was due to the fact that it was simply a situation before the congress."

Jeczmyk: We Will Talk

During the congress ZChN did not finally unite with the Movement for the Republic [RdR], the party of Lech Jeczmyk and Romuald Szeremietiew, even though such unification was announced a few months ago. RdR representatives presented the participants of the congress with a letter sending their regards; however, no concrete declarations were made. "We submitted certain conditions to the ZChN leadership before unification. We are not in a situation in which we must unite. Therefore, we demanded that the congress be really a unification congress of the two parties, not an act of ZChN's swallowing RdR. We also wanted the number of our delegates to correspond to the number of our members. Finally, we wanted the new grouping to be a truly new entity," says Lech Jeczmyk. According to the RdR leader, the most important thing is that ZChN has a new administration. "We waited for the congress to put an end to the decisionmaking paralysis. We will discuss unification with the new administration," Jeczmyk declares.

Criticism of Oleksy Government in Sejm, Reaction

WS0603151195 Warsaw GAZETA WYBORCZA in Polish 6 Mar 95 p 3

[Article by Dominika Wielowieyska: "PSL Deputies Were Most Critical of the Government's Intentions: The Government at a Distance"]

[FBIS Translated Text] *During Saturday's Sejm debate, the opposition demanded Prime Minister Oleksy be more specific and the coalition repent sincerely. It was surprised over the whole clamor involving Zbigniew Okonski, who—despite the coalition's pouting—did finally become minister of national defense.*

The peasants clearly distanced themselves from the Oleksy government. Franciszek Stefaniuk (Polish Peasant Party) [PSL] stated that his party did not approve of all the ministers. It is generally acknowledged he had [head of the Office of the Council of Ministers] Marek Borowski and [Privatization Minister] Wieslaw Kaczmarek in mind. "We are giving the prime minister liberty," said Stefaniuk, "but we will judge the government's activities sternly."

"We respect all those who wish to establish a modern agricultural system, but that aim cannot be attained by making life difficult for the current farmsteads," said Stefaniuk, in reference to opinions voiced by newly appointed Minister of Agriculture Roman Jagielinski, who advocates support for huge family-run farms.

Another peasant representative, Marek Sawicki, said: "The new minister is for 'cowboy-ization' [kowboizacja] and reinstating the gentry, rather than for the PSL program and pro-European agricultural reform."

"It worries me that one of the PSL members questioned the candidacy of Roman Jagielinski. I think this must have been some mistake," Oleksy later commented on criticism of the minister of agriculture.

Manipulating Intelligence

Postulates were raised that the Ministry of Internal Affairs be reformed. The issue of extracting intelligence from this ministry was debated. Intelligence, according to Zbigniew Siemiatkowski (Democratic Left Alliance) [SLD], should form a separate office, directly subordinated to the prime minister.

Siemiatkowski also advocates establishing a Committee of the Council of Ministers for the Secret Services.

"This is where the prime minister and the president would meet, where joint decisions pertaining to the secret services would be made. We would thus avoid the services being manipulated by one power center," said the SLD deputy. He did not specify, however, which power center he had in mind.

Private Penance

Tadeusz Mazowiecki (Freedom Union) said that a deeper analysis of the crisis was neglected and a vision of what should really be changed in the hitherto policy of the coalition was lacking during the change of government: "PSL and SLD penance was performed behind tightly closed doors. The public does not really know why the government was changed."

"Mr. Prime Minister Oleksy, I hope you can do something good for Poland, but for various reasons we will not vote for you," he concluded.

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The next opposition speaker, Wieslawa Ziolkowska (Union of Labor), demanded a clear declaration of whether Oleksy's government intended to introduce the new, lower income tax thresholds of 18 percent. She did obtain such a declaration from Oleksy in the end.

I Do Not Want To, but I Have To

"The program of this cabinet is so good it is impossible to implement," said Jerzy Gwizdz (Nonparty Bloc in Support of Reforms) [BBWR].

The BBWR representative mocked at Jozef Oleksy: "The prime minister has adopted President Walesa's rhetoric and keeps repeating that he does not want power but has to make the sacrifice."

Gwizdz marveled how it was possible that the candidate for minister of national defense, until recently unacceptable to the coalition, now had its full approval. The president had been suggesting the candidacy of Zbigniew Okonski for very long, yet each time he met with defiant resistance from the coalition.

Siemiatkowski explained to GAZETA WYBORCZA that PSL, and not SLD, was against Okonski. Stefaniuk, in turn, complained to us that the change in the coalition's stand was due only to the fact that Oleksy has more freedom in choosing ministers than Pawlak had.

Oleksy Responds

Summing up the debate, Jozef Oleksy expressed thanks for the "objective criticism." Oleksy told deputies who accused the government of rejecting restitution bills that: "Restitution will be implemented. According to which principles remains a separate issue."

In the end, he soothed the deputies: "All the ministerial candidates have signed written statements that no legal proceedings are instituted against them and that there is nothing in their past which could cause public charges to be brought against them."

Deputy Defense Minister Favors Civilian Control

LD0803101595 Warsaw PAP in Polish 0438 GMT 8 Mar 95

[FBIS Translated Text] Warsaw, 8 Mar—"The military ought to be an instrument of policy; it cannot itself carry on any policy," said Deputy defense minister Jerzy Milewski in an interview with a GAZETA WYBORCZA journalist. In his view, the autonomy of the military is "dangerous for democracy, for the situation may evolve toward the political sovereignty of the Armed Forces and the deletion of civilian control over the military."

Milewski states that the defense minister ought to have an assured actual influence over the Armed Forces. He also feels it necessary for there to be a rotation of personnel in command posts, including the highest ones. The chief of staff, as the highest commanding entity, must be subordinate to a democratically chosen, civilian political power: Minister, prime minister, or president, Milewski told the GAZETA WYBORCZA daily, stressing that "the logic of our constitutional solutions indicates that this ought to be the minister."

The reform of the ministry and the general staff, the adaptation of the military to the financial possibilities of the state, its integration with NATO standards—these are, in the view of Deputy Minister Milewski, the fundamental tasks before the new defense minister, who also ought to consider the creation of a long-term program of modernization of the military, without the increase of expenditures upon defense, and the preparation of a strategic political plan for the security of the country.

Restructuring of Defense Industry Outlined

WS0803083695 Warsaw POLSKA ZBROJNA in Polish 7 Mar 95 p 3

[Article by Dr. Pawel Wieczorek, an employee of the Defense Department at the Central Planning Office: "Domestic Defense Industry: Overcoming the Crisis"]

[FBIS Translated Text] *Approximately 400 enterprises are currently involved in special production. The majority of these enterprises supply general purpose goods or function as cooperators.*

The core of the defense industry comprises 31 enterprises supervised by the Ministry of Industry and Trade. They turn out approximately 75 percent of domestic special production.

Since the late 1980s the defense industry has been severely stagnant. This is best illustrated by economic results attained in this sector which—generally speaking—are far worse than analogous results in the processing industry. The reasons for the poor condition of the arms industry are objective, far beyond the influence of enterprises within the sector.

The defense industry has been harnessed into the market economy processes without any "shock absorbers," despite the fact that this sector is highly unadaptable. The arms industry lost the privileges which had once artificially inflated its profitability.

Signs of Improvement

In the first half of 1993, certain signs of improvement within the defense industry began to take shape, strengthening over subsequent years. This has not had an impact—thus far, at least—on the overall condition of the sector. There is a clearly visible disproportion between the high dynamics of global production in the arms industry (estimated at 15 percent in 1994), and the far slower transformations within the Defense Ministry, which allow us to speak, at most, of a break in the recession and a slight growth in special production.

The process of adjusting the volume and structure of special production to current needs voiced by domestic

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and foreign customers was relatively slow. This was due to limited financial resources allocated by the government to this aim and the delay in legislative procedures.

The passing of the "Statute on Ownership Transformations in Chosen State Enterprises of High Priority for the State Economy" by the Sejm in 1994 created better conditions for a swift transformation of enterprises within the defense industry into joint stock companies of the State Treasury. With the benefit of hindsight, we may now say this allowed for a strengthening of these companies in terms of capital and technology.

Restructuring Program

The following effects of adjustive procedures that have been commenced may be listed:

—the launching of ownership transformation processes, consisting of transforming state enterprises into joint stock companies of the State Treasury. By February, eight (out of 31) enterprises have acquired such status;

—an employment reduction of 50 percent and a more rational workforce structure;

—widening the assortment of civilian products manufactured in defense industry enterprises. The demand barrier causes, however, that the industry operates at a mere 40-50 percent of its full capacity;

—the launching of financial restructuring. Its objective is to redeem the debts of the defense industry. Many enterprises have undertaken efforts to reach settlements with their creditors. The overall value of debts decreased at the beginning of the year by more than one half, yet the sums due still remain huge;

—a gradual recovery of losses sustained by some enterprises as an effect of the UN embargo on Iraq, as well as a lack of payments for supplies to the former USSR.

In January, Russia's debts to Polish arms industry plants were estimated at $15 million. The loss sustained due to the embargo imposed on Iraq were compensated for in the years 1993-94 by canceling the liabilities of the enterprises in question to the state budget.

What Next?

Restructuring commenced in the years 1989-94 has merely initiated the process of adjusting the defense industry to a new political, military, and economic reality.

Specific suggestions for further changes are to be included in the "Program for Restructuring the Defense Industry for 1995-2010 and Accompanying Drafts of Legal Regulations," the development of which was commissioned to the consulting firm Industrial Cooperation Center (ICC).

Work on the program is to be finalized within the first half of this year. The issue of the target structure of the defense industry should be settled, providing for the concentration of special production, the establishment of supraenterprise structures (industrial groups which would then become holdings), increased participation of nongovernment capital, and the requirements of mobilization procedures.

The assets of the Polish defense industry are a relatively modern technological infrastructure and an experienced workforce. The restructuring of the entire sector, however, is unavoidable. The production potential must be adjusted to actual domestic needs as far as arms and military equipment and exporting capacity are concerned. The efficiency, competitiveness, and innovativeness of special production have to be enhanced.

Rational and consequent support from the state is a precondition for success of the changes that are now being introduced. The restructuring of the defense industry is too cost consuming for the enterprises to afford on their own, especially as their financial condition remains poor.

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Nigerian 'Mafia' Believed To Be Laundering Money

AU0703170395 Bucharest EVENIMENTUL ZILEI in Romanian 2 Mar 95 p 3

[Article by Vlad Pufu: "A Nigerian Espionage Network Is Active in Romania"]

[FBIS Translated Excerpt] *A Nigerian economic espionage network has been active in Romania the past three years. Its members are presumably involved in laundering money from drug trafficking. The network has contacted 64 Romanian companies after having examined them with "expert eyes." Branches of the BRD [Romanian Bank for Development] and the BRC [Romanian Bank for Commerce] even pledged to guarantee to mediate certain alleged financial transactions. According to the WASHINGTON POST, the same network is active in the United States. The espionage network has attracted the attention of Interpol and the SRI [Romanian Intelligence Service].*

The gang has been active on Romanian territory since 1992. First they carefully study their "victims," who are to be contacted later. Each general, deputy, economic, or commercial director of the companies targeted by this mafia is meticulously and professionally analyzed. The way they are approached differs depending on their character and personality.

Nevertheless, in most cases the way they approach their possible Romanian "partners" consists in sending them letters of intent. Following the first paragraph, in which the senders positively assess the contacted company, the addressees are requested to send them blank trade documents referring to certain alleged business operations done jointly by the Romanian and Nigerian partners. The signatories of such letters act in the name of alleged Nigerian Government officials or well-known companies or business groups, such as the Nigerian Petroleum Corporation, the LSDPC [expansion unknown] Housing Estate, the Central Bank of Nigeria, or the federal defense and labor ministries. In exchange for sending off the aforementioned documents and information and for accepting the proposed banking transaction operations, the Romanian party is to receive an allowance of 30 percent of the value of the transaction. Purely and simply as a result of sending them the blank documents—which are to be filled out later and as they wish by the Nigerians—they are to transfer almost $300 million to the Romanian company's bank account, claiming that the money represents payment for the two parties' fictitious business operations. In this way huge amounts can be transferred out of Nigeria.

Of course, such offers are very tempting. Allowances of 30 percent of the fabulous amounts of money could put not just one company but several back on their feet. All directors of factories fighting for survival dream of such money.

At the end of their letters they guarantee, but also request, maximum discretion about the proposed operations.

So far in our country they have contacted 64 state-owned and privately owned companies. [passage omitted]

Although the Cancellation Stamps Are Nigerian, the Letters Are Mailed From Romania

A careful examination of the letters revealed that they are categorized. The companies that showed no interest the very first time have been contacted again, but by different Nigerian companies or persons. Among the latter, the most recurrent names are: Al Haji Saeu Abdubakar, Harris Ezeudoye, Bonn Godson, Kalu Ukiwe Kalu, and Kayode Omosebi [all names as published]. What surprises one most is the fact that none of the aforementioned persons has ever physically appeared to conduct negotiations. Laboratory analysis of the letters has revealed that despite the fact that the addresses of their senders are in Nigeria, the envelopes have been mailed from inside Romania.

Heads of Important Romanian Companies Have Swallowed the Bait

To our surprise there are a number of companies that, despite their rich experience in the domain of trade, accepted the proposals coming through the mail. The leadership of the Resita Iron and Steel Plant was contacted at the beginning of 1994 via such a letter of intent. The letter was signed by Ego Bundu, an authorized representative of the Auction Committee of the [Nigerian] Federal Ministry of Civil Aviation. The deal it proposed was typical of those mentioned above. Following brief discussions among the [Resita] directors, on 26 July 1994 they sent the requested bank information to the Nigerian party—that is: their bank account number, address, telephone, fax, and telex number, as well as their accord for completing the deal. Previously, the company leadership had consulted and obtained the agreement of the BRD Caras-Severin branch, which even pledged to guarantee the intermediation of the alleged transaction.

In the same way, they also contacted the general director of the company Meva in the town of Drobeta Turnu-Severin, who on 27 June 1994 sent the Nigerians a fax containing the address as well as the telephone, telex, and fax numbers of Mehedinti branch of the BRC. The letter he received was signed: Gray Douglas, on behalf of the Federal Ministry of Labor. Similar deals proposed by the Nigerians were also accepted by the leadership of the [Cluj-based medicine-manufacturing] company Terapia, the Cluj Mining Data Processing Center, and the company IPROED [expansion unknown] in Bistrita, all of which sent offers to export their products or services to Nigeria.

From among the private companies that accepted such offers we mention ALSECOM [expansion unknown],

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one of the associate owners of which is Ioan Bolog, chairman of the Alba Iulia Chamber of Commerce. He was contacted in 1993 by Ghioghi Seipem, a Brazilian citizen. Bolog then agreed to send Seipem two faxes in the name of the company containing several fictitious invoice numbers and the amount to be paid for building work that he never did.

In all of the aforementioned cases there was no reply from the Nigerians, which confirms the suspect nature of their offers and evinces their intent to use the information in question for fictitious deals, embezzlement, and tax evasion in the name of the Romanian parties.

According to THE WASHINGTON POST, the Nigerian Gang Also Had Victims in the United States

The same gang is also active in the United States. Thus, the WASHINGTON POST reports in detail about the way they act there and about the various victims of the gang. [passage omitted]

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Ganic Denies Command Formed With Croatia

AU0703160695 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 7 Mar 95

[Report by Nada al-Isa from Zagreb]

[FBIS Translated Text] Prior to the meeting in Bonn, [Bosnia-Herzegovina Federation vice president and Bosnia-Herzegovina Presidency member] Dr. Ganic said: We are going with concrete proposals for an expeditious implementation of the Federation. The Federation implementation is progressing. There is some misunderstanding only about the jurisdiction of the Federation and the Republic of Bosnia-Herzegovina, which overlap in some instances. However, Dr. Ganic said, this will solve itself once the Federation laws come into force, since the laws of the Republic of Bosnia-Herzegovina will no longer apply on that territory.

Dr. Ganic added: Bosnia-Herzegovina has to be a democratic, decentralized state, organized into cantons. We are trying to persuade the aggressor's side to agree to a peaceful solution, and accept the Federation. Dr. Ganic stressed the importance of the confederation with Croatia, saying that the confederation implementation was progressing even in practice. He said that one example of this was the agreement reached last night on the coordination in military cooperation between the Bosnia-Herzegovina Army, the Croatian Army, and the Croatian Defense Council [HVO]. Generals Rasim Delic, Janko Bobetko, and Tihomir Blaskic agreed last night in the presidential palace—as we have already reported—to act jointly against the aggressor if the need arose. This agreement is also a guarantee that there will be no renewed fighting between the Croats and the Muslims, Dr. Ganic stressed. It should also deter the aggressor from further attacks. The agreed military cooperation is based on the agreement on general military cooperation between the Republic of Croatia and the Republic of Bosnia-Herzegovina from 1992, which also envisages military cooperation. [sentence as heard] It is also based on the Washington and Vienna Agreements.

We asked Dr. Ganic to elaborate on an unclear matter: The point is that the Croatian media have been claiming that a joint military command of the Bosnia-Herzegovina Army, the Croatian Army, and the HVO was formed last night in Zagreb, and that the (commander) of this joint military command—according to Zagreb—is Croatian General Janko Bobetko, while Generals Delic and Blaskic are in his immediate camp. Dr. Ganic told us explicitly: The military command has not been formed. We have only agreed to coordinate among the three military components, that is, the Bosnia-Herzegovina Army, the Croatian Army, and the HVO. Their military commands will continue to operate separately, but they will cooperate, that is, coordinate their cooperation. With that in mind, the military commanders will meet on a more frequent basis, and agree on cooperation or possible joint operations.

Asked whether there was a joint military command or not, Bosnia-Herzegovina Federation President Kresimir Zubak said: The final decision on a military command has not been made. So far we have proposed and agreed on joint military operations, if the need arises, against our common aggressor.

Serbs Preparing for 'Final Showdown'

LD0703215295 Belgrade SRNA in Serbo-Croatian 2051 GMT 7 Mar 95

[Item received by fax]

[FBIS Translated Text] Sarajevo, 7 Mar (SRNA)—Milan Ninkovic, defense minister of the Srpska republic [RS], told SRNA this evening that the formation of a joint military command of the Republic of Croatia and the Muslim-Croat Federation did not catch the Serb side by surprise, because they had announced their anti-Serb coalition long ago.

"This is just another proof that the joint forces of the Croatian Republic, Herceg-Bosna, and Muslim formations will launch an invasion against the republic of Serb Krajina [RSK] and the RS," Ninkovic said.

He recalled that the RS and the RSK, like the Federal Republic of Yugoslavia and Russia, have agreements on military cooperation with delayed effect.

Commenting on the statement made by General Janko Bobetko, the newly appointed commander of the joint Croatian-Muslim forces, that his objective is, as he put it, "to liberate" former Bosnia-Herzegovina and "the occupied" parts of Croatia, Ninkovic reiterated the readiness of the RSK and RS to defend themselves.

"I do not advise them to start such an adventure," the RS defense minister said, adding that the Serbs are using the respite in hostilities "to prepare their defense and themselves for a final showdown."

Asked whether he believes that the UN Protection Force would leave the borders of Croatia and the RSK, Ninkovic said western diplomats are trying to persuade Croatian President Tudjman to change his decision, but these efforts should be taken with a pinch of salt.

UN: Joint Accord Smacks of War-Mongering

AU0703135895 Paris AFP in English 1312 GMT 7 Mar 95

[FBIS Transcribed Excerpt] Sarajevo, March 7 (AFP)—The UN Tuesday [7 March] expressed concern over the setting up of a joint military command by Croatia and the Moslem-Croat Bosnian Federation, saying it smacked of war-mongering.

The UN Protection Force (UNPROFOR) views the joint command "with great concern as another indication that both Croatia and Bosnia are trying to move away from

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the peace process towards renewed confrontation," spokesman Alexander Ivanko said here. [passage omitted]

UNPROFOR admitted the decision to set up the joint command in strict terms regarded only Croatia and Bosnia. But it suggested the move—weeks ahead of a pullout of UN forces from Croatia—would fuel tension in the region. [passage omitted]

Foreign Minister in Talks With UK's Hurd

LD0703221895 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2100 GMT 7 Mar 95

[FBIS Translated Text] Foreign Minister Irfan Ljubijankic today had a meeting with British Foreign Secretary Douglas Hurd. During the talks, the two ministers discussed the situation in Bosnia-Herzegovina.

Hurd expressed his disappointment with Milosevic's refusal to recognize the Republic of Bosnia-Herzegovina and the Republic of Croatia, and noted that a diplomatic vacuum that could lead to an outbreak of war. He also stressed that he will invest maximum efforts to persuade the Serb side to endorse the Contact Group's plan.

Ljubijankic suggested to Hurd to threaten the so-called Yugoslavia with the reimposition of sanctions, which are partially suspended at the moment. This proposal will be discussed at the Contact Group level.

Hurd briefed Minister Ljubijankic about yesterday's talks with French and German Ministers Juppe and Kinkel. The three European ministers will travel to Moscow tomorrow in an effort to bring together Russia's and Contact Group's stands, and to influence officials in Russia to persuade Milosevic that the recognition of the countries created after the breakup of Yugoslavia is necessary for the peace process.

The talks stressed the necessity of improving bilateral cooperation between the Republic of Bosnia-Herzegovina and Great Britain. [passage indistinct]

Minister Ljubijankic will end his visit to Great Britain this evening. He will then go to Athens for an official visit to Greece.

Federation Leaders Comment, Leave for Bonn Talks

LD0703175395 Mostar Croatian Radio Herzeg-Bosna in Serbo-Croatian 1700 GMT 7 Mar 95

[FBIS Translated Text] Bosnia-Herzegovina Federation President Kresimir Zubak and Vice President Ejup Ganic, held a news conference at Zagreb's Pleso airport before their trip to Bonn where they will hold talks with representatives of the United States, Germany, and the European Union. Here are their statements:

[Begin recording] [Zubak] At last night's talks we had to confirm what the generals had agreed. In principle, there are no major differences. The essence of the problem is that the Bosnia-Herzegovina Army is under the command of the Bosnia-Herzegovina Presidency. The Bosnia-Herzegovina Presidency was represented yesterday only by Mr. Ganic. The other members were not there so they could not confirm politically what the generals had suggested. We fully agree that we must act in a coordinated way, that we should hold meetings soon and organize ourselves in some kind of institutionalized form. However, the final decision in that direction was not reached.

[Ganic] I expect very positive talks. Both Mr. Zubak and I have prepared certain issues which we will solve somehow, with help from the Germans and the Americans. However, we would like to solve a lot of problems alone, in order to leave as few problems as possible to the arbitration of and implementation under international community control. [end recording]

East Mostar Leaders Satisfied With Talks

AU0703201795 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 7 Mar 95

[Statements by SDA Deputy Chairman Edhem Bicakcic and Safet Orucevic, mayor of East Mostar, following talks with HDZ representatives under the auspices of the EU Administration in Mostar on 7 March—recorded]

[FBIS Translated Text] [Bicakcic] Today, talks were held in Mostar under the chairmanship of Mr. Koschnik [EU Administrator] between the Party of Democratic Action [SDA] and the Croatian Democratic Community [HDZ] on the issue of the organization of the city of Mostar within Neretva Canton and the implementation of the Federation of Bosnia-Herzegovina.

The talks were attended by the representatives of the HDZ, and our delegation was represented by Bicakcic, Orucevic, (Jahmic), and Demirovic. We expressed our support for all the hitherto signed agreements, the Washington Agreement, the Vienna Agreement, the Bosnia-Herzegovina Federation Constitution, and the memorandum on the relations in Mostar, for which we received full support from Mr. Koschnik. We see the future of Mostar as a unified city within Neretva Canton, and we deem as positive the efforts by the HDZ to establish a canton in western Herzegovina and Posavina. We expect progress soon on the implementation of the Federation, and in the mixed canton, particularly in Neretva Canton.

It is a very good sign that the authorities in western Mostar have decided to link up the 60 kw electricity transmission line to eastern Mostar, so now eastern Mostar gets enough electricity for the population and even for the restart of the economy here. All this is a positive step forward. We have agreed to hold the next meeting at the beginning of April, at which legal experts should be present to prepare models of organizing relations in the Mostar Municipality, and the city of Mostar, based on European experience. Brussels was mentioned

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as one of the possible models that could be applied. At the same time, we gave our full support to EU Administrator Mr. Koschnik and his efforts at rebuilding the city and its infrastructure.

[Orucevic] I have to express my satisfaction with the talks on the organization of Mostar under the administration of Mr. Koschnik. I think that this has been a great step forward in the overall Bosniak-Croatian relations both in Mostar and in the entire Federation.

It has been clearly said that Mostar will be reconstructed without two ghettos, that it will have one administration in keeping with the spirit of the Federation Constitution and all the other signed agreements, as well as the memorandum on agreements [passage indistinct] in this region. I think that the former Yugoslav model of organizing Mostar is also outdated, but through local autonomy we will—I am sure—organize a better unified Mostar of people who live in it in the spirit of the Federation Constitution.

Serbs Block Relief Convoys to Sarajevo, Bihac

AU0703135795 Paris AFP in English 1343 GMT 7 Mar 95

[FBIS Transcribed Text] Geneva, March 7 (AFP)—Bosnian Serb forces on Tuesday [7 March] blocked a United Nations relief convoy into Sarajevo for the first time since November and continued stopping supplies reaching the Bihac enclave, the UN said.

The decision by the Serb authorities in Pale left the Bosnian capital without supplies coming into the city following the closure of Sarajevo Airport on Tuesday after shots were fired at a UN Protection Force (UNPROFOR) plane.

Sylvana Foa, a spokeswoman for the United Nations High Commissioner for Refugees [UNHCR], said the authorities in Pale had refused last week to clear any of four convoys normally due to travel into Sarajevo each week.

"The first of those convoys was due to go today... no reason was given," she said, adding that the situation in Bihac was again extremely precarious.

The UNHCR has just finished its first general distribution of food in the Bosnian Government-controlled areas of the Bihac enclave since June, handing out only two kilos of flour per person.

"Our warehouse in the south is now completely empty again. We have not got in any convoy since February 27," said Foa. "The fighting continues and we have not received any clearance for any more convoys."

Minister: 'Disaster' If UN Leaves B-H

AU0803080295 Paris AFP in English 1751 GMT 7 Mar 95

[Report by Francis Curta: "Bosnia, Unlike Croatia, Wants Its Blue Helmets To Stay"]

[FBIS Transcribed Excerpt] Sarajevo, March 7 (AFP)—Bosnia may huff and puff about the UN presence here, but unlike neighbouring Croatia, it wants its blue helmets to stay.

Alarm bells have been ringing abroad, warning that a withdrawal of 15,000 UN soldiers from Croatia later this month could trigger the pull-out of the 23,000 UN troops from Bosnia and a new Balkan war. But Bosnian officials here have sought to play down such fears.

"This will not change the situation in Bosnia," said Hasan Muratovic, Bosnian minister responsible for relations with the UN, speaking of the withdrawal from Croatia. "There is no connection between these two situations," here and in Croatia, he told AFP.

The UN "will have to withdraw a lot of its forces. I can guess about two thirds," in line with Zagreb's demand that the blue helmets leave the Serb-held Krajina region, he suggested.

UNPROFOR deployed there in 1992 to help keep the peace by acting as a buffer force between Croatian and secessionist Serb forces. In Bosnia, however, the UN Protection Force "mandate will not change until some peace agreement is signed," he said.

"The UN will certainly stay. It would be a disaster for the United Nations to withdraw from Bosnia. It would be more of a tragedy for the United Nations than for Bosnia because it would discredit itself," he added. And he readily acknowledged that an international presence would be required long afterwards to police a negotiated partition of the country between its Moslem-Croat and breakaway Serb communities.

But, like many others in the government here, he complained that UNPROFOR did not live up to its mandate. "The UN doesn't do what it is supposed to do here," he said, adding that while the Security Council had adopted "some 60 resolutions and statements, they have never implemented one."

The Bosnian Government "is frustrated with us, frustated with the international community. They always have ambiguous feelings towards us," UNPROFOR spokesman Colum Murphy said here. "They want us to stay, they want us to be here, they don't want us to go. At the same time they wish that we did a lot more than we do," he added.

Murphy however said he feared a UN withdrawal from Croatia might trigger renewed fighting. "Our withdrawal from Croatia will have a most serious and dangerous effect on the situation in Bosnia," he said. [passage omitted]

Croat: Posavina To Be Liberated 'Militarily'

AU0703125095 Split SLOBODNA DALMACIJA in Serbo-Croatian 4 Mar 95 p 22

[Interview with Vitomir Coskovic, vice president of the Bosanski Samac Municipal Council and vice president

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of the HDZ's County Council in Bosanska Posavina, by Veso Vegar; place and date not given: "We Shall Have To Liberate Posavina Militarily"]

[FBIS Translated Text] The Grand County [velezupa] of Posavina is the first grand county with a Croatian majority to have set up its assembly. Vitomir Coskovic, a 32-year-old lawyer and the vice president of the Bosanski Samac Municipal Council and vice president of the Croatian Democratic Community's [HDZ] County Council in Bosanska Posavina, has been elected Assembly chairman.

[Vegar] How would you assess the current situation in the Grand County?

[Coskovic] After the session of the Posavina Grand County Assembly, I believe that better political conditions are being created for the realization of Bosanska Posavina's vital interests. That all 29 deputies from the Croatian community in Bosanska Posavina were present at the Assembly confirmed the political maturity of the representatives. I expect that the individuals who will be elected to the highest offices in the Grand County, primarily the governor and the government, will be individuals who have proven that they are experts in their field and politically capable. Moreover, I expect that they will be people who have proven that Posavina is in their hearts and that their main goal is the protection of Croatian interests in Bosnia-Herzegovina, that is, in the Bosnia-Herzegovina Federation.

I believe that the new political organization of Bosanska Posavina will contribute maximally to the quality and comprehensive reorganization of Croatian Defense Council [HVO] units, particularly to the strengthening of the 4th Guard Brigade and the Home Guard regiments. This is very important to us because it seems that we shall have to liberate Posavina militarily and that is why we need to direct all our resources and activities toward this goal.

[Vegar] What are the newly established Assembly's priorities?

[Coskovic] I would like to remind you that at its first, constituent session, the Assembly—in addition to electing the chairman and deputy chairman of the Assembly—also confirmed the deputies' mandates, passed the procedural rules for passing the Grand County Constitution, and approved a draft Constitution. Therefore, we now have to approve the Constitution and other legislation necessary for the work and functioning of the bodies of authority. Soon we shall have to elect the leaders, that is, the governor and the government.

[Vegar] There were complaints about the course and the content of the Assembly session?

[Coskovic] Bearing in mind that the Posavina Grand County is the second grand county in the entire Bosnia-Herzegovina Federation to have held its assembly session, and the first Croatian grand county to do so, certain remarks on the course of the session and the legislation discussed and passed are justified. Some of the bodies of authority and individuals responsible—operationally and politically—for the organization of the session and the preparation of legislation are guilty of certain oversights. In this sense, I believe that the Coordinating Committee for the Implementation of the Constitution of the Bosnia-Herzegovina Federation should have devoted more attention to the political stances of the Croatian representatives, and should have passed more precise legislation, because this is one of two Croatian grand counties in the Federation. This should be particularly stressed in the Grand County's Constitution.

One of the essential prerequisites for the quality organization and comprehensive protection of Croatian interests in the Bosnia-Herzegovina Federation is the defining of relations between the Croats and the Bosniak Muslims and the passing of important legislation in the Federation Assembly. I primarily have in mind the Law on Grand County Borders and the Law on the Establishment of New Municipalities. Such legislation is necessary to protect Croatian interests throughout the Bosnia-Herzegovina Federation.

Silajdzic Urges End to 'Genocide' in Sandzak

AU0703175795 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 7 Mar 95

[Report by Mediha Colo on report presented by Bosnia-Herzegovina Prime Minister Haris Silajdzic to the government session on the position of the Bosniak Muslims in the Serbian province of Sandzak in Sarajevo on 7 March—recorded]

[FBIS Translated Text] [Colo] At the special government session dedicated to the situation in Sandzak, Prime Minister Haris Silajdzic presented a report, saying that—although the history of the Bosniak Muslims in Serbia and Montenegro has been a history of persecution, suffering, and a gradual extinction of a nation for almost 150 years—the terror, the violence, and the genocide have never before been committed so brutally, so openly, and so publicly as today.

The international organizations and institutions and the governments of the key countries in the world have reacted hesitantly and in an unprincipled and blind manner to the aggression against the Republic of Bosnia-Herzegovina and to the genocide against the Bosniaks. These same organizations, institutions, and governments have shut their eyes almost completely to the violence, the terror, the violations of human rights, and the physical annihilation to which the Bosniak Muslims in Serbia and Montenegro are exposed.

[Silajdzic] Because of the terror, the denial of national, political, and religious rights and freedoms, and of the political and court persecution, over 70,000 Bosniak Muslims have fled Sandzak over the last three years, seeking refuge in countries throughout the world. Over

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45 villages and six smaller settlements along the border with the Republic of Bosnia-Herzegovina have been completely cleansed of Bosniaks. At least 44 Bosniaks have been murdered in terrorist actions by the Serbian extremists, although there are indications that this number is much greater. This is the number that is given publicly, but the number of concealed murders must be much larger. In one terrorist action alone, 21 people of the Bosniak ethnic origin in Sandzak were kidnapped, and their fate remains a complete mystery even a year later. The most realistic assumption is that they have been murdered. One hundred and eighty-one Sandzak Bosniaks are on the list of forcibly abducted, kidnapped people, and the Serbian authorities are refusing to give any information as to their fate, even though even the Serbian media are already writing that these people have been murdered.

Since the outset of the aggression against the Republic of Bosnia-Herzegovina, over 15,000 Bosniaks in Sandzak have been exposed to political repression. Mass political trials are being organized all the time, and the Bosniaks are proclaimed guilty without a shed of evidence and given draconian sentences. In Novi Pazar, a staged process finished recently in which 24 Bosniak Muslims were sentenced to a total of 80 years in prison. In a similar fashion, in Bijelo Polje, therefore, in Montenegro, 21 Bosniaks were sentenced to a total of 77 years in prison because of their alleged membership in the Party of Democratic Action. Paramilitary formations of the Serbian extremists, with the blessing of the state bodies, are on a rampage in Sandzak. At least 16,000 members of terrorist groups and other Serbian paramilitary formations are conducting a campaign of terror against the Bosniaks in Sandzak with the assistance of the regular army and police force.

[Colo] The young men of Sandzak are being forcibly mobilized and used as cannon fodder on the fronts in Bosnia-Herzegovina. This is one of the reasons why the youth of Sandzak is emigrating. They do not want to wage war against their own people. Religious freedoms are also brutally violated, and the Islamic religious community and its institutions are proclaimed illegal, while the imams and other religious dignitaries are being persecuted, arrested, and tried. All this is also supported by economic pressure. The Bosniaks in Serbia are the first ones to lose their jobs and the last ones to find work. They have been deprived of their right to work not only in state companies and institutions, but also in their own private businesses and shops. Last year alone, at least 590 private businesses and shops were shut down through various court and administrative processes. All these were in the ownership of Bosniak Muslims.

Kemal Kurtovic, Ilijaz Ramosevac, and Fehrudin Kurtovic, representatives of the Organization of Bosniak Muslims from Sandzak, who attended today's government session dedicated to Sandzak stressed that the organization insisted on a global solution to the status of Bosniaks on the entire territory of the former Yugoslavia. That is why the government adopted the following conclusions regarding the problem of the Bosniaks in Sandzak and other parts of Serbia and Montenegro:

[Silajdzic] First, the government will address the UN Security Council, the European Council, the European Parliament, the OSCE [Organization on Security and Cooperation in Europe], the Organization of Islamic Countries, and the governments of the United States, Germany, Great Britain, and France on the issue of the violations of human rights of the Bosniaks in Serbia and Montenegro, since in Sandzak it is taking on the proportions of a genocide. We will insist that these international bodies undertake decisive measures to protect the rights of the Bosniaks in Serbia and Montenegro.

Second, we will particularly demand from international organizations, institutions, and the governments of key countries that the permanent OSCE observers' mission in Sandzak be reinstated immediately and that strong economic and political pressure be exerted on Serbia and Montenegro with the goal of protecting the human rights and the rights of ethnic minorities in Sandzak, in Kosovo, and in Vojvodina.

Third, the government will turn to the governments of Hungary, Albania, Croatia, and other countries whose ethnic minorities live in Serbia and Montenegro, so that we can launch joint activities on the protection of human rights and ethnic minority rights of the members of these nations.

[Colo] The government will continue to work toward the mutual recognition of all the republics of the former Yugoslavia, as that is a significant condition for the establishment of peace and the realization of future international cooperation in the interests of all the people. The government will continue to follow closely the position of the Bosniaks in Sandzak and in other parts of the so-called Yugoslavia, and will continue to undertake adequate measures in accordance with its authority and obligations that Bosnia-Herzegovina also has toward the members of the Bosniak nation in the diaspora.

Lack of Funds Threatens UN Observation Duties

LD0803110295 Helsinki Suomen Yleisradio Network in Finnish 0600 GMT 8 Mar 95

[FBIS Translated Text] A shortage of money is threatening the UN's observation duties on the border between Bosnia and Serbia. Because there is a shortage of funds, departing observers are not at present replaced with new UN observers, says Tauno Nieminen, the group's Finnish head, in an interview to the Radio News. The Bosnian blockade is being supervised by 190 civilian observers, but according to Nieminen, there is a risk that the number will be reduced by 30. For this spring still, an additional sum of $2 million will be needed. Since last

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autumn, the United Nations has been monitoring that arms or other banned equipment are not transported to Bosnian Serbs.

Power Industry Expects Energy Surplus by Midyear

AU0703174995

[FBIS Editorial Report] Ljubljana DELO in Slovene in its 21 February edition on page 5 carries a report by Zdravko Latal about the possibility that the Bosnia-Herzegovina Power Industry would start supplying electricity to Croatia and Slovenia this year.

As Latal writes, "finally, all the conditions have been met for the Bosnia-Herzegovina steam power plants, which only operated at a tenth of their capacity due to the military conflicts, the shortage of spare parts, and the shortage of coal, to begin functioning by the end of the first half year." As there appear to be no problems with the transport of necessary equipment across Herceg-Bosna's territory, the Bosnia-Herzegovina Power Industry is expected to produce a surplus of energy by the end of the first half year, Latal writes, and the surplus is expected to grow further.

Quoting Edhem Bicakcic, director of the Bosnia-Herzegovina Power Industry, the reporter writes that "the cooperation of Karadzic's Serbs and the official Bosnia-Herzegovina authorities, and the repair of long-distance transmission lines still seemed impossible at the end of previous year, however, it is a reality now." "The Serbian side urgently needs electricity for Banja Luka and Bosnian Krajina, and we want the enclaves such as Gorazde, Srebrenica, Zepa, and Bihac pocket to get electricity. Electricity used to be a part of military and political pressure, but I hope it will never be again" Bicakcic is reported to have said.

Before the country can start exporting electricity, Latal writes, the Bosnia-Herzegovina authorities need to reach an agreement with the Herceg-Bosna Power Industry on two key issues, namely, the quantity of electricity owed and the scope of future cooperation. Among the unresolved issues are 900 billion kwh of electricity that Bosnia-Herzegovina Power Industry sent to Croatia in 1992 and for which, according to Latal, Croatia still owes 20 million German marks. In 1993 and 1993, Croatia tried to compensate for this by sending some 400 billion kwh of electricity, however, exclusively to the territories controlled by the Croatian Defense Council.

As Latal writes, "the biggest disputes regarding electricity are in-house, if the federation can be called anyone's house." The Herceg-Bosna Power Industry wishes to be an equal partner of the Bosnia-Herzegovina Power Industry, although it only controls two power plans, that is, Capljina and Rama. As Bicakcic is quoted as having said, once the cantons are set up, the cantonal authorities will manage power plants, however, "only one energy supply system should exist within the state." According to the reporter, these disputes are the reason why Herceg-Bosna is not sending electricity to the eastern part of Mostar, which is controlled by the Bosnian authorities, and one of the reasons why the Bosnian authorities agreed to the construction of an additional transmission line that would link Mostar with Bosnia. As Latal writes, "the Bosnia-Herzegovina Power Industry does not conceal the fact that, regarding electricity, it is negotiating a lot faster with the Serbian side than with the Croatian side. For this reason they are more optimistic about the repair of the power line from the Tuzla steam power plant to Slavonija. From there, the electricity could travel to Croatia and Slovenia freely."

Karadzic Offers Serb Sarajevo for Enclaves

95BA0159B Ljubljana DELO in Slovene 9 Feb 95 p 6

[Article by Ervin Hladnik-Milharcic: "Muslim Enclaves in Exchange for Sarajevo"]

[FBIS Translated Text] *A high official in Izetbegovic's government has confirmed that Karadzic offered them an exchange of the Muslim enclaves in eastern Bosnia for three Sarajevo municipalities.*

From our special correspondent.

Tuzla, 8 Feb—Kalesija is the eastern-most village in northeast Bosnia that is still under the control of Bosnia-Herzegovina Government units. A radio station, whose program can be heard in the encircled Muslim enclaves of Srebrenica and Zepa, and also in Serbia on the east bank of the Drina, is broadcasting from it, 15 kilometers from Tuzla. It was founded by refugees from the areas that are now under Radovan Karadzic's control. From the cellar of a farmhouse only 2 kilometers from the front where the studio is located, they send reports to the occupied territories that inform the surviving Muslim population about the relatives left on this side of the front line, ask for information about missing persons, try to link separated families and the 42,000 Muslims who have been surrounded for three years now, and provide basic information about political and military events in Bosnia-Herzegovina.

"We are trying to reach all the people living on the other side," the radio station's chief editor Nurdin Hasanbegovic said. "We also broadcast information of interest to the Serbs. For instance, we regularly broadcast the names of captured and dead soldiers, and, to the extent possible, we give this war a somewhat more civilized face. Sometimes, in this strange political life, people are completely confused, and we try to give them as coherent a picture of the world as we can. Our function is primarily informational. In part, of course, we are also a propaganda radio station, which cheers up our soldiers and tries to demoralize the enemy. We can't get too far with inventions and they are not too convincing, however, so we try to keep to the facts."

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People Would Resist

Last week the population of Tuzla, where 138,000 refugees from the occupied areas also live, was upset by rumors that Radovan Karadzic had offered an exchange of the Muslim enclaves in eastern Bosnia for the Sarajevo municipalities of Grbavica, Lukavica, and Ilidza. The Muslim population in the enclaves would be moved to central Bosnia, and Serbs from Sarajevo to Srebrenica, Zepa, and Gorazde. The UN was to organize the logistics of the resettlement. The commander of the Blue Helmets for northeast Bosnia, Swedish General Gunnar Ridderstad, in his headquarters at the closed Tuzla airport, firmly denied that the UN would prepare an evacuation plan for resettling peoples, but a high-level official in Bosnian President Izetbegovic's office, who visited Tuzla last week, confirmed that the Bosnian Government had received Karadzic's offer and that it had neither rejected nor accepted it.

Jasna Halilagic, a member of the cantonal refugee commission that is responsible for the self-organization of the refugee population, thinks that any possible decision by the Sarajevo Government on an exchange of the enclaves for a free Sarajevo would cause resistance. We talked about this proposal with Naser Oric, commander of the Bosnian units in Srebrenica, who has won legendary status among Srebrenica's population. "For our part, we have informed the government that such an option is completely out of the question and that we will not permit an exchange. These are our cities. Izetbegovic simply can't make that kind of decision. The Tuzla canton is the strongest canton in Bosnia. There are 850,000 people living here, and we will never permit a trade of territories. If the government adopted that kind of decision, we would replace it!"

The atmosphere in Tuzla and Kladanj, where the First Muslim Brigade was celebrating its third anniversary with a parade and the battle-cry "Allah Akbar!", is one of growing confidence on the offensive power of the Bosnian army. Everyone is expecting a big spring offensive. The organized army, which is 30 kilometers away from it, is not helping Srebrenica very much, however. Although the enclave has officially been demilitarized, several Bosnian military units are still on its territory, and just a few days ago the Serbian forces moved their front line another kilometer and a half toward the center of the city. The enclaves are hostages that the Serbian Army will use in the event that the Bosnian Army really does start an offensive to conquer eastern Bosnia, which it is obviously preparing for as hard as it can. After these years of the blockade, the residents of Srebrenica are completely exhausted. According to information from the UN health service, 24,495 people have serious skin diseases because of the lack of water, and 20,000 have lice. Lice are carriers of typhus, and if that disease appears in a single person, it will rapidly spread to others as well and the whole enclave will succumb to typhus, which destroys the central nervous system. A particular danger is the lack of salt. The few convoys that come to the city come from Belgrade. The Serbs block them and prevent the UN High Commissioner for Refugees from bringing in the necessary amounts of salt. The average salt consumption per capita is below the minimum of four grams a day, as a result of which the occurrence of goiters is higher and higher. For two years now, 42,000 sick people have been cared for by only five doctors, who are also completely exhausted themselves.

Instruction in Four Shifts

In spite of the shortages and the impossible living conditions, Srebrenica Mayor Osman Suljic dealt with the situation of his fellow townsmen with optimism and humor in a crackling interview over amateur radio links. "Since food convoys are rarer and rarer, we have cultivated every possible surface in the city. We are raising grain, rye, and tobacco. The tobacco is of fairly high quality, but there is no longer a bit of paper in the enclave, because we have used all of it to roll cigarettes."

In the city, where 6,000 people do not even have a roof over their heads, and are living in garages, cellars, and even caves, regular elementary school instruction has been organized. "We have four main schools and eight local ones. There are 5,700 children going to school regularly. We have only 180 teachers for all those pupils. Many of them do not have a suitable education themselves. Because of the lack of space, the instruction is taking place in four shifts. The children do not have textbooks, and I would rather not speak about other school supplies. We are also preparing a secondary school program now. We will open a high school, an electrotechnical school, and an economic secondary school. I think that we will at least succeed in keeping our children from being intellectual cripples. Of the 2,100 children who have completed elementary school, 700 will go to secondary school," the mayor said with pride.

The radio station that broadcasts from Kalesija within the direct range of cannons from Majevica mountain, in the middle of snowstorms, a constant shortage of electricity, with two portable cassette players, one microphone, and a portable sound mixing panel, is the only voice that tells the residents of Srebrenica that the Bosnian state still exists outside the camp into which they have been shut up by Radovan Karadzic, because Serbia and Montenegro got sanctions for bombing Srebrenica from Yugoslav territory. Between long interviews and reports, they play music. There are a lot of patriotic songs that originated during the war, but Bjelo Dugme and Plavi Orkestar also still resound from the speakers of the old Gorenje stereo system that serves as a studio monitor. "We rejected only musicians who have openly sided with the aggressor," cheerfully said the technician who was manually searching for Divje Jagode songs on a mechanical cassette player. "Ljosa and Plavi Orkestar are in seventh place on our scale, and Alem Isamovic is just below the top." He took a worn out copy from a pile of scattered cassettes and showed it proudly. "You won't believe it, but we also play Djordje Balasevic, and people like to listen to him. He wrote a few

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songs that openly speak against the war, and we very much appreciate such rarities from Serbia. At least there is one person who opposed the aggression." He rewound the cassette, winked, and pressed a button, and Balasevic, who was singing "Krivi smo mi" [We Are Guilty], was heard from the speaker.

EU Mostar Administrator Threatens Withdrawal

95BA0153A Ljubljana DELO in Slovene 28 Jan 95 p 6

[Interview with Hans Koschnick, EU administrator of Mostar, by Ervin Hladnik-Milharcic; place and date not given: "They Are Both Lying, and They Both Feel Good About It"]

[FBIS Translated Text] *The European administrator of Mostar is more and more skeptical about the success of his project and says more and more often that the European administration will withdraw.*

From our special reporter.

Mostar, 27 Jan—The seven months of the European administration of Mostar have not brought the city any substantial progress. The Bosnian part of the city, because of resistance from the Croats, is still without water and electricity, and in the evening safety is only ensured by a curfew, freedom of movement is highly restricted, and organized crime is the most active organization. Mostar is still composed of two cities that have replaced open conflicts with a cold war under the oversight of Hans Koschnick, the European administrator.

Conflicts are resolved by armed improvisation. On Wednesday morning, an armed group of Croats stopped traffic on the road that leads from the Adriatic coast to central Bosnia, and which is taken by all the humanitarian aid convoys. They demanded that the Bosnians release a Croatian military prisoner accused of criminal actions. "It seemed to his family that the negotiations were taking too long, so they closed the road," a member of the military police commented dryly. In the company of Spanish armored personnel carriers, he helplessly watched the column of vehicles becoming longer and longer. At 2300, Bosnia's main supply route was still cut off. All the power of the EU [European Union] and the UN soldiers was stopped by several gunmen with automatic weapons and wooden barriers.

The European administrator of Mostar is more and more skeptical about the success of his project, and says more and more often that the European administration will withdraw if the Croats and Bosnians do not cooperate in implementing the project.

[Hladnik-Milharcic] What are the conditions in the international tenders for the reconstruction of Mostar?

[Koschnick] Yesterday I signed a contract for the construction of a new bridge. At the end only two companies were still in competition, Viadukt in Zagreb and Smelt in Slovenia. European companies offered us prices twice as high as those of those two companies. Because of the price ratio and technical capabilities, we gave the job to the Zagreb company.

[Hladnik-Milharcic] Do you have any other contacts with Slovene companies?

[Koschnick] Smelt is on the EU's list and has a very good chance of getting the contract for a refrigeration plant on the east bank of Mostar.

[Hladnik-Milharcic] When the contract was signed you said that it would be the first bridge that would link the Croatian Mostar with the Bosnian one. Is that your political analysis? Are there actually two cities here?

[Koschnick] No, not at all. When the Spanish and English engineers built the first prefabricated bridge, the Croats protested that it was linking two parts of Mostar that were under the control of the Muslims. It concerned the hawks on the Croatian side that in the event of new conflicts, the Bosnians would rapidly transfer their army and weapons across that bridge. That is why the second project that we started, at their request, was rebuilding the bridge linking two parts of the bank under the control of the two different sides.

[Hladnik-Milharcic] What problems can you solve through talks at the local level, and which ones do you need international pressure for? Why did you have to call for the Croatian prime minister and defense minister last week?

[Koschnick] I did not invite the Croatian Government; they came on their own. I only told them that one of the sides that had signed the memorandum on joint administration was obstructing our work. Just as I told the EU members and the Americans how things were going, I also told them that I was having difficulties with various aspects of administering the city, especially the police. German Foreign Minister Kinkel also wrote President Tudjman regarding this. In my absence, my deputy, Metscher, gave a television interview in which he said that the Croatian side was blocking our work. That is why the Croatian Government representatives came to Mostar and invited me to talk with them about it. It was not a formal meeting, but just an exchange of opinions. It was not an issue of who was guilty and who was innocent. We can distribute the issue of blame for ineffectiveness among many people in different areas, including our administration.

Croatia is very concerned because the media are mostly blaming the Croatian side for blocking the process of reintegrating the city. Because of the cancellation of the UNPROFOR [UN Protection Forces] mandate, Croatia has been put in a bad light, and that is creating headaches for it.

[Hladnik-Milharcic] What do you think about that decision by Croatia?

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[Koschnick] I oppose the cancellation of the mandate, just like the Americans, because it establishes the possibility of new conflicts.

[Hladnik-Milharcic] What did you say about it in the meeting with the Croatian Government?

[Koschnick] I clearly told the Croatian minister that he probably also knew quite well what it meant for Croatia in the European context. Perhaps in that game there is no longer any room for a European administration of Mostar. Our departure would have consequences for Bosnia-Herzegovina, but also for Croatia. I do not have to be nonpartisan on that issue, because the accusations from one side have been completely absurd. I will not play those Balkan games. Both sides are lying and both of them feel good about it. Both sides know that they are lying. I prefer to tell the truth. I did not participate in signing the memorandum on the federation; it was signed by the Croats and Bosnians. I only have to implement the plan that was signed by the Bosnian and Croatian prime ministers and EU representatives. If one side says no, fine. Of course, a group of bandits will not chase me away from Mostar, but if one of the sides does not want to cooperate, then I will go home; my wife will be very happy.

[Hladnik-Milharcic] After the six months of your administration, it is still not possible to move freely from one side of the city to the other. What is obstructing that?

[Koschnick] If the cooperation between the Croats and Bosnians on both sides were as good as the cooperation between the smugglers and the black-market operators, we would not have any problems at all. I am very concerned about the high crime rate in the Mostar sector. I am not insisting on the issue of freedom of movement within the city. If I have no guarantees that a Bosnian on the western side or a Croat on the eastern side will come home safe in the evening—I cannot guarantee that, so I cannot guarantee freedom of movement. I do not want wounded and dead people. I will only be able to make it possible when I have police forces that will act in accordance with the law, that will be suitably equipped, and that will have the means to do their jobs. I do not. The joint police are not in operation, and the army is still too close. It is not exactly absolutely necessary for the Croats and Muslims to sit in the same police cars, but when there is a crime the police on both sides have to act according to the same laws and ensure legality. It does not have to happen tomorrow. I would be satisfied if it were true, at least in principle, that they were willing to cooperate and go on together.

[Hladnik-Milharcic] Would you change the terms of your mandate, which was adopted six months ago, if it were drafted today?

[Koschnick] No. I would not change the memorandum. The problem is not what is written, but rather an issue of whether the people who were enemies just yesterday really want what they signed up to in the memorandum. One side simply does not want to cooperate, but it is not all the Croats. That side is also not just the HDZ [Croatian Democratic Community] or Herceg-Bosna; it is only parts of the nation, which have a great deal of influence. The process of restoring the city is not being blocked by the people with whom I am cooperating, but rather by the party leaders. When they also officially state that they do not want to have anything to do with the federation, there will be no point to my work here.

[Hladnik-Milharcic] What is the Croats' long-term goal?

[Koschnick] The Herzegovina Croats really do not want a federation with the Bosnians, and instead they want to be part of Croatia. On the other hand, however, the Croats from central Bosnia are aware that a Greater Croatia is not the answer to their problems, and consequently they want a federation. The Muslims in Mostar are in favor of the federation, because they are weaker than the Croats and the federation means that the Croats here have to yield some power. In Sarajevo or central Bosnia, however, the Bosnians are much less enthusiastic, because there they have to give up some power themselves. You cannot talk simply about the guilty and the innocent. There is a great deal of maneuvering and various strategies behind these positions.

[Hladnik-Milharcic] Is the Zagreb government really supporting the federation?

[Koschnick] I do not believe that Croatia can win Slavonia and the Krajina by force. What the Bosnian Croats are to Croatia, the Bosnian Serbs are to Serbia. Both peoples have legitimate historical misgivings about each other. Because of historical memories and the strong nationalism of the Krajina Serbs and the Croats, both peoples have a very special significance for both Serbia and Croatia. For Serbia, the Krajina Serbs are much more important than the Serbs in central Bosnia. The same thing applies to the Croats. The ones in Herzegovina are more important than the Croats in central Bosnia. Just as the Serbs will not accept Croatian domination in the Knin Krajina, the Croats will not accept Bosnian domination in Herzegovina.

Croatia now has a specific interest in the federation and confederation. If it turns out that Bosnia-Herzegovina will not be able to survive as a state, then there will be a fusion of the Croatian areas of Bosnia with Croatia, which will mean that the Bosnian Croats will be dominant in that area. I am convinced that the Croats are now in a position in which, with some assistance, they would be prepared to solve the problems in the Krajina peacefully. The republic of Srpska, in which there are many armed people and which has a strong military superiority, will not just sit by and watch if the Croats want to occupy the Krajina. The border between occupied Slavonia and Zagreb, however, is only 50 kilometers from Zagreb.

[Hladnik-Milharcic] Do you think that UNPROFOR will leave Croatia?

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[Koschnick] No. I think that they will stay. Croatia really will be recognized within its borders, but with very definite autonomy for the Krajina. That is a realistic possibility, because that is the only one that can also make stability possible for Belgrade as well. There will also be a similar situation in Bosnia-Herzegovina, which in the end could also mean second thoughts about the advisability of a federal structure. That pressure will not come from outside, but rather from within. In the end, it really may happen that Bosnia will be partitioned. For instance, if we have a referendum on that in 2005, the Serbian and Croatian Bosnians will perhaps decide that they no longer want to be part of Bosnia.

UNPROFOR will now receive a new mandate. The UN units in Bosnia and Croatia have done a great deal but have not achieved their political goals. They have not even established the territorial integrity of Croatia, they have not even disarmed the Krajina Serbs, and they have not even achieved reconciliation among people. Not a single step has been taken toward the territorial integrity of Croatia or an internationally recognized Bosnia-Herzegovina state. All of that was stated in their mandate. The old agreement between Tudjman and Milosevic on a division of territories will probably become valid again. Croatia is now much more concerned about finding a modus vivendi with Belgrade than with Sarajevo. The Croatian Government's most important role is not the stabilization of Bosnia-Herzegovina, but rather the stabilization of Croatia. For that, however, they need an agreement with the Serbs. Every state is primarily concerned about itself and its own people.

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Martic on Mikelic Problem; War 'Inevitable'

LD0703230595 Belgrade TANJUG Domestic Service in Serbo-Croatian 2226 GMT 7 Mar 95

[FBIS Translated Text] Knin, 7 Mar (TANJUG)—Milan Martic, president of the republic of Serb Krajina [RSK], said in an interview to TV Krajina this evening that he requested the RSK assembly to dismiss Prime Minister Borislav Mikelic only for the sake of the country's internal unity.

Martic said that his move was not a mistake and that it should not be seen as a political scandal or a tragedy. He added that the continuation of the current situation and relations will not bring any good to Krajina, repeating his stance that he will not allow "chaos to reign in the country," and that he will advocate peace, order and respect for law ...

In addition to the reasons he had given earlier on why he wanted Prime Minister Mikelic to be relieved of his duty, Martic listed some new ones, and the key reason seems to be that he did not have enough influence on the government and on Prime Minister Mikelic whom, as he stressed, he himself had brought to power.

The RSK president also blamed the government and some parties, which he did not name, for the dismissal of Interior Minister Ilija Prijic. "Now they want 'their minister' of internal affairs, but I will never give up control of the police and the Army," Martic said, and cited his position as supreme commander in support of this statement.

Martic added that when this government was formed, an agreement was reached that he in his capacity of state president should propose candidates for the posts of defense and internal affairs ministers, and "now something different is being demanded."

Asked about the UN Protection Force mandate, Martic reiterated that he wants the peacekeeping forces, with the same powers, to stay until final agreement with Croatia is reached. He then added that there is a great danger that a new conflict will erupt.

"We do not want war, which I believe to be inevitable," Martic said and then went on to stress that in case of war he expects help from the Srpska republic. "I know the mood in the Federal Republic of Yugoslavia and I know that we are not alone," President Martic concluded.

RSK Spokesman Views Croat-Muslim Alliance

LD0703204095 Belgrade SRNA in Serbo-Croatian 1758 GMT 7 Mar 95

[Item received by fax]

[FBIS Translated Text] Knin, 7 Mar (SRNA)—The creation of the Croatian-Muslim defense alliance is just one more expression of their desire to resolve problems in former Yugoslavia by force, Pero Damjanic, spokesman of the president of the republic of Serb Krajina [RSK], told SRNA this evening.

He said that this move was a response to the creation of the single defense front of the RSK and the Srpska republic. Damjanic then went on to add that "Muslim and Croatian strategists have assessed that it is necessary for them to unite so that they can score some kind of military success."

"This in essence is a politically motivated move which is meant to consolidate ties within the artificially created Muslim-Croatian coalition," Damjanovic said and added:

"We know that the coalition does not have any realistic chances of success since it was created just for short-term political reasons, and now the goal is to consolidate it through fresh threats of war against the RSK and the Srpska republic."

Damjanic said that Croatia is not seriously counting on its alliance with the Muslims, and he warned that its intention is to take full control of former Bosnia-Herzegovina.

"Muslims can never count on Croats as serious allies. Everyone, apart from Muslims, sees that a Muslim state is not in Europe's interest," the Krajina president's spokesman said.

'War Connotations' in Alliance

LD0703184495 Belgrade TANJUG in English 1834 GMT 7 Mar 95

[By Nikola Stanojevic]

[FBIS Transcribed Text] Zagreb, March 7 (TANJUG)—The decision to form a joint military command of the Croatian Army and the troops of the Muslim-Croat Federation in Bosnia was announced on Monday during U.S. Envoy Richard Holbrooke's visit to Zagreb.

This cannot be a coincidence because it is hard to believe that the Croats and Muslims had not informed their friends in the world before making the move. The combining of the military forces has war connotations despite Tudjman's assurances that the setting up of the joint command is not aimed against "some third party."

Generals Janko Bobetko (chief of the joint command) and his assistants Rasim Delic and Tihomir Blaskic confirmed these intentions saying that the joint military force would "protect the territories, integrity, borders and the population of the Federation and of the future confederation (with Croatia)."

The Bosnian Muslims and Croats in March 1994 signed an agreement in Washington, under pressure of the United States, on forming a joint Federation in Bosnia and its subsequent confederation with Croatia. Even before the formal combining of the Croatian Army and the Muslim-Croat federation troops, the regular

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Croatian Army had been deployed in the territory of the former Yugoslav republic of Bosnia-Herzegovina.

The presence of regular Croatian Army troops in Bosnia will from now on be formally and legally "covered" because both sides refer to the agreement on friendship and cooperation signed between Zagreb and the Sarajevo Muslim government in 1992.

Under the agreement both sides can seek military aid as internationally recognized states. This move, along with the decision to cancel the mandate of the United Nations Protection Force (UNPROFOR), are a sign of war although Zagreb insists that in question are peace moves.

However, the real danger does not lie in the joining together of the Muslim and Croat forces, but in the indirect and direct support by their foreign allies who publically urge a peaceful solution, but in practice encourage militant conduct and propose a new war as a solution to the current war.

Granic: No Extension of UNPROFOR Mandate

LD0703192195 Zagreb HTV Television in Serbo-Croatian 1830 GMT 7 Mar 95

[FBIS Translated Excerpt] Dear viewers, on the eve of tomorrow's session of the Chamber of Deputies of the Croatian assembly, the assembly committees held meetings today in order to discuss problems in their areas.

[Unidentified correspondent] [Video shows the committee meeting and Granic speaking] The Foreign Policy Committee meeting began with a report on the international position of the Republic of Croatia in the light of the decision to cancel the UNPROFOR [UN Protection Force] mandate.

[Begin Foreign Minister Mate Granic recording] We are in the phase of the strongest pressures on the Republic of Croatia, stronger even than in the period before the Washington Agreement, although the two situations cannot really be compared. We were then under a certain threat of sanctions because of the situation in Bosnia-Herzegovina, while the pressures now are aimed at forcing us to extend UNPROFOR's mandate. [end recording]

[Correspondent] We are ready to hold talks with the local Serbs on peaceful reintegration. Croatia is also ready to accept a certain form of international control over the implementation of the agreement. The main UNPROFOR headquarters, the logistical base and the hospital at Pleso can remain in Croatia because of UNPROFOR's mandate in Bosnia-Herzegovina. However, the decision to cancel UNPROFOR's mandate is final. [passage omitted]

Forces Capture 'Strategically Important' Peak

LD0703170995 Belgrade BETA News Agency in Serbo-Croatian 1532 GMT 7 Mar 95 (tentative)

[FBIS Translated Excerpt] Banja Luka, 7 Mar (BETA)—Croatian forces have succeeded in pushing Serb units from Troglav peak on Mount Velebit, BETA has learned from Serb military sources.

The peak, previously held by the Krajina Serbs, is strategically important and a significant part of the Knin area can be controlled from it. By capturing Troglav, Croatian forces have opened the way for further military operations with the aim of attacking Knin from the direction of Bosnia.

Serb military sources have not officially confirmed the loss of Troglav and so far no details have been released about the clashes taking place on the rugged terrain of Mount Velebit. According to the same source, the Republic of Croatia has sent several brigades into the territory of Bosnia. The brigades from Croatia have been advancing northward through the Livanjsko Polje area, approaching Grahovo.

Croatian forces have captured a significant part of Mount Golija, north of the Livno valley, from where they have been launching artillery attacks, targeting Serb villages. According to Serb sources, at least 10,000 Croatian soldiers and Bosnian Croat troops are taking part in the fighting. Croatian armored units and heavy artillery have also been deployed in the clashes so that Serb units were forced to "withdraw in several places" in the Livno area over the past month. [passage omitted]

Importance of Danube for RSK Stressed

95BA0163A Knin MAGAZIN KRAJINA in Serbo-Croatian 21 Dec 94 pp 36-37

[Article by "M.K.": "Danubian Country"]

[FBIS Translated Text] *With a border of 140 km, the republic of Serb Krajina [RSK] has become a Danubian country with all the rights set out by the Convention on Navigation on this major European traffic artery.*

The recent statement by the head of the Republic of Croatia's office in Belgrade, Dr. Zvonimir Markovic, that "without the Danube and without the Adriatic... there is no Croatia," underscored Croatia's desire for an outlet on the Danube, which has been defended by Krajinan Serbs for centuries. They previously did so for others and today are doing so for themselves, and nothing will come of Croatia's desire to continue exploiting the Danube as it has for centuries. There is a new Danubian country on the Danube—the republic of Serb Krajina.

Europe's Water Highway

Armies and people have moved along the Danube from time immemorial, and merchants have alternated with soldiers. All of them have departed, leaving behind the people who live along the banks of the Danube, for it and from it. One present-day part of the republic of Serb Krajina—eastern Slavonia, Baranja, and western Syrmia, inhabited by a Serb population—became part of Croatia under the post-World War II borders, and in this way Croatia became a Danubian republic, although not a state.

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The Danube is an important water highway for central and eastern Europe. Through its link to the Rhine by way of a navigable canal, it is connected to the network of central European waterways, and in this way a waterway 3,400 km long is created, connecting the North and Black Seas. The connection between the Danube and the Oder and Elbe further increases its importance as a water traffic artery between the North or Baltic Sea and the Black Sea.

The importance of the Danube will grow even further through the planned construction of a canal between the Danube and the Aegean Sea.

Through the Danube, the republic of Serb Krajina is linked to all the Danubian countries (Germany, Austria, Slovakia, Hungary, the FRY [Federal Republic of Yugoslavia], Bulgaria, Romania, and Ukraine), and it is also crossed by important road and rail connections linking Vojvodina to Slavonia and Baranja to western Syrmia (bridges at Batina and Bezdan, Bogojevo and Erdut, and Ilok and Backa Palanka).

Along this part of the Danube is Vukovar, which together with Borovo was an important economic and transportation center in the SFRY [Socialist Federal Republic of Yugoslavia]. A large share of the river trade in goods passed through Vukovar harbor, and the importance of that harbor would grow even more with the construction of the planned Danube-Sava canal.

Realization of Rights and Possibilities

The map of the Danube basin is changed now, and part of the right bank of the Danube, from Ilok to the Yugoslav-Hungarian border, has become the property of those who have lived on the river's shores for centuries. These changes demand corresponding behavior by the new Serb state in accordance with international regulations on Danube navigation and in the effort to take advantage of all the benefits that the Danube offers, especially in the activities of river trading. This means most of all involvement in river traffic as quickly as possible by restoring operations at Vukovar harbor, which enjoyed international importance before the war.

After the war and after the sanctions unjustly imposed on the FRY, thanks to all the benefits of river transport, Krajina has the opportunity to quickly take advantage of this river to transport goods in domestic and international commerce. The position and facilities of Vukovar harbor and the fact that the Drava is ceasing to be an international river in the earlier sense (although 20 km of its lower course is held by Serbs) mean that Osijek harbor, as such, is losing its importance. All this ensures that transport for the republic of Srpska passes through Vukovar, as will transport for the Republic of Croatia later on, with certain compensation for port and transport services.

The republic of Serb Krajina must immediately get to work on regulating navigation on the Danube in the territory in which it flows as a border river, with all the rights accorded by international and interstate standards of the law pertaining to river navigation.

The demand of the new Danubian state would relate to the realization of rights from the Convention on Navigation on the Danube enjoyed by other Danubian countries who have signed this convention.

In order to sail freely on the part of the Danube where the right half of it belongs to the republic of Serb Krajina, the Danubian countries must grant it the same right, with the obligation that it sign the Convention on Navigation on the Danube.

Aside from this, the navigation regime between the republic of Serb Krajina and the FRY must be regulated by an interstate agreement, and after the war the same must be done with Croatia concerning the Drava. It is necessary to carry out as soon as possible the reconstruction of the operational shoreline and harbor reloading facilities in Vukovar. That is perhaps one of the most important jobs to be done in rebuilding devastated Vukovar.

The republic of Serb Krajina does not have its own river transport enterprise. It is time to begin organizing so that as soon as conditions allow, it will be possible to begin acquiring the necessary vessels, and the FRY river shipping industry could offer relevant assistance.

It is essential to prevent any abuse of the Danube, and for that reason full control over the river must be established, especially with regard to territory leading toward Hungary and Croatia on the Drava. A border service must be set up immediately on the Danube, with appropriate vessels, and a river detachment with units capable of specific combat activities on navigable rivers must be formed as soon as possible. The Republic of Croatia has already done this on the Drava with the formation of the River War Fleet in Osijek (the headquarters is in Sisak, for the Sava and Drava), which has several rubber life rafts and a reconnaissance and commando platoon.

The republic of Serb Krajina is devoting full attention to its outlet on the Adriatic Sea, but also to the Danube and its shoreline, from which all types of communication leads to neighboring countries.

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Denial on Creation of Federation With Albania

LD0703193395 Belgrade TANJUG Domestic Service in Serbo-Croatian 1853 GMT 7 Mar 95

[FBIS Translated Text] Skopje, 7 Mar (TANJUG)—The idea recently quoted in the media about the reestablishing of the Yugoslav federation, or rather, about the creation of a Macedonian-Albanian federation has been officially described in Skopje as "anachronistic, to say the least."

"We neither held talks on such an idea with anyone, nor have we any intention of doing so," Djuner Ismail, a spokesman for the Government of The Former Yugoslav Republic of Macedonia [FYROM], said at a news conference in Skopje today. "Our plan and commitment in foreign policy is equidistance and the development of alliances and associations of a European type," he added.

According to media reports, the United States has offered to Skopje and Tirana the formation of a Macedonian-Albanian federation, similar to the one already created in Washington between the Bosnian Croats and Muslims.

Ismail also said that his government will not discuss the request for the association of the Serbs and Montenegrins in Macedonia to win the right for religious services in Serb Orthodox churches in the FYROM. The parliamentary commission for the political system will probably pass a decision on that, at the proposal of the Ministry of Justice.

Gligorov, Akashi Discuss Current Problems

LD0703172795 Belgrade TANJUG Domestic Service in Serbo-Croatian 1643 GMT 7 Mar 95

[FBIS Translated Text] Skopje, 7 Mar (TANJUG)—Kiro Gligorov, president of The Former Yugoslav Republic of Macedonia [FYROM], held talks in Skopje today with Yasushi Akashi, the UN secretary general's special envoy.

Akashi is on a one-day visit to the FYROM, accompanied by French General Betrand Janvier, the new UN Protection Force [UNPROFOR] commander for the former Yugoslavia, and Mishel Musali, the UNPROFOR head of civilian affairs, Mishel Musali [untraced].

A statement on the meeting between Gligorov and Akashi says that they agreed that UNPROFOR plays a positive role in FYROM, and stressed the necessity for more extensive international assistance in the implementation of the economic and social reforms in the country. The statement adds that they underlined the acute problems caused by the Greek embargo and the sanctions against the Federal Republic of Yugoslavia.

They also discussed the current situation concerning interethnic relations in FYROM in the light of the latest tensions following the armed incident between Shqiptar demonstrators and police in the village of Mala Recica near Tetovo. The incident erupted over the Shqiptar university which the government in Skopje considers to be unconstitutional.

The statement says that the incident was described as "a threat to the country's political stability." It was stressed that the issue of national minorities in democratic countries must be dealt with within the framework of constitutional solutions and the system's institutions.

Analysis of Damage Caused by Black-Marketeering

AU0703123695 Skopje NOVA MAKEDONIJA in Macedonian 6 Mar 95 pp 1-2

[Article by S. Kiridzievska: "After Trade, There Is a Collapse in Production"]

[FBIS Translated Text] Economic activities that take place outside the country's legal institutions are dominating the distribution of national income, with the result that there is only individual profit. The country is, slowly but surely, becoming impoverished and even those sectors that once resisted the disorder now admit to being helpless. This does not refer only to trade, but also to production, which cannot cope with the unfair competition on the present scale. It is very difficult to calculate the extent of illegal transactions in our economy. However, unofficial data indicate that it is between 30 and 50 percent. Economic experts say that this situation is unavoidable in countries in transition, such as ours, though foreign economic statistics indicate that the gray economy is not unknown in developed market economies. For instance, there are findings that suggest that the gray economy in Italy accounts for around 30 percent of the economy, while in Canada the figure is 20 percent. The United States is not immune to this malaise, either: The percentage there is around 30 percent, while it is just 5 percent in Great Britain, but over 50 percent in the countries in our neighborhood.

"The presence of such a quantity of unregistered goods is alarming," says Dose Koteski, deputy president of the Chamber of Commerce of Macedonia [The Former Yugoslav Republic of Macedonia]. "When we first warned of this a couple of years ago, we were accused of doing so only in order to protect organized trade. We were even reproached," Koteski said, "for attempting to cover up the poor performances of some companies." But as time has gone by, it has been seen that the thieves in the gray economy were not restricted to the gray economy alone; they are now moving toward private owners and have also affected production. It is certain that if this situation continues, the state will not have the strength to finance the infrastructure, and this will directly affect education, social welfare, science, and culture. The reason for this is that these things are financed out of the budget, whose revenue comes mainly from customs duty and other taxes. Initial claims that

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the gray economy was being allowed just so as to prevent greater social tensions have been shown to be false. They cannot be sustained because, while some individuals are getting very rich through easy imports of goods of dubious quality, our production lines are not only unable to obtain raw materials, but are also unable to sell what is produced.

The reasons for the gray economy lie in inadequate customs controls and the large number of institutions. Since the customs service is not functioning properly, it is easy to distribute untaxed goods. Moreover, the great expansion of wholesale trading facilitates distribution to the market. These goods are competitive, easily sold, and it is not easy to get evidence of them. Of course, it is only individuals who are profiting, while the global damage that is being suffered by the state is enormous. Taxes are not being collected and thus the state treasury and other coffers are empty. The budget deficit is partly due to the impossibility of collecting taxes and, as a consequence, we have to take out foreign loans.

At the top of the list of goods that are most frequently being smuggled are gold, cigarettes, alcoholic drinks, and cosmetics, as well as textiles, coffee, medicines, and electrical appliances. No wonder, since the taxes on these goods are the highest. The streets are full of these products and that is why few customers are using the shops. We are seeing the collapse of huge companies such as "Slavija," "Zempromet," and even "Centro," but it has become more than clear that the same is going to befall private companies, too. Over the last few years, the state has become poorer to the tune of 40 million German marks [DM] just because of the sale of cigarettes on the street instead of in the shops. The smugglers are buying them from factories in Bulgaria and Albania for DM11.20 and selling them for DM14 on our market. At the moment, you can find five sorts of "Marlboro" that are supposed to be copies of the original. In Bulgaria "MT" cigarettes sell well at the wholesale price of DM3 and they also sell well on our domestic market. It is said that customs officers seize between 50 and 200 cartons of "Marlboro" daily, which is the equivalent of the monthly sales in some Duty Free Shops.

The smugglers have no difficulties overcoming all the barriers, even in importing electrical appliances of dubious quality; the textile factories are being seriously affected by imports of ready-made clothing, resulting in many of their workers having to go on compulsory vacation. It seems that there is not a single sector of the economy that has not been affected by the gray economy. Checks are largely irrelevant, their minimal effect being because they are restricted to isolated instances. But the experts say that all this can be solved through draconian fines and more frequent checks by the finance police.

Structural Changes in Police, Intelligence Agency

95BA0148A Skopje NOVA MAKEDONIJA in Macedonian 28 Jan 95 p 13

[Article by Zoran Petrov: "Metamorphosis With Many Unknowns"]

[FBIS Translated Text] *On the whole, although the plans for the transformation of the current Ministry of Internal Affairs [MVR] are needed and required by modern conditions, there is a substantial number of critics who emphasize that in the drafting of these documents, the starting point was the past practice and position of the MVR, drawn from the former regulations on the past concept of internal affairs.*

The transformation of the MVR, which has excited the public ever since the first beginnings of pluralism, had its second promotion by the Government of the Republic of Macedonia [The Former Yugoslav Republic of Macedonia] about 10 days ago. This has to do with the laws on internal affairs and the Intelligence Agency that were adopted for the first time by the previous government in April 1993, and also went before the Assembly in November of the same year in the form of a bill. The significance of this undertaking lies not only in the fact that it represents one of the first reforms in state administrative bodies, but also in the very act of redefining the police, which, as the most prominent aspect of the state, have been continuously subjected to various criticisms and scandals over a fairly long period of time. Among other things, these criticisms have stated that the public force, in terms of its organization and structure, does not correspond to the changes in the system, that it is a throwback to another time and a different regime, and that, as such, it is subject to many negative influences.

On the other hand, as a consequence of their authority, power, structure, means, and methods, the police can be viewed in many respects as synonymous with the authorities. The interest of political entities in this ministry, in which numerous scandals and affairs with a political background have occurred in the last few years, is therefore absolutely understandable. Without engaging in polemics—whether we have a political police force or not, the fact is that the MVR is still structured and functioning in accordance with a pattern that is inappropriate under the conditions of a parliamentary system. That is why the need for its transformation, which has been announced for several years, is extremely urgent.

What the Law Says

The main thing is that we know that with the proposed version of the transformation of the MVR, the Intelligence Agency will be separated from the ministry as an autonomous administrative body, and even its physical separation is being announced. On the other hand, according to the proposed laws, two basic structures are to be defined overall in the MVR—the ministry with its administrations and other organizational units, while a

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Directorate for Protection of the Constitutional Order and Counterintelligence will be formed as an autonomous body, but within the framework of the ministry. The directorate's autonomy will lie in the fact that its director, even though he will be directly subordinate to the minister of internal affairs, will not be a member of his senior staff in the ministry, but rather directly associated with him. The aim in creating this kind of separate structure is to separate counterintelligence work and protection of the constitutional order from the traditional police, because, as we know, it has been precisely in this sector of the security structures that most of the police scandals to date have originated. Actually, in view of the organizational chart, the main division is intended for the present State Security Service [SDB], which, according to the new laws, will be separated into two fields—intelligence, which will belong to the agency, and counterintelligence, which will remain in the MVR, but as a separate directorate.

The explanation of the proposed laws says that this is a standard solution used in several Western states, and what is characteristic of all this is that the members of the directorate and the agency do not have many of the present police powers. In fact, in carrying out their operations, they will have to rely exclusively upon assistance from the members of the MVR (the uniformed or detective police), who retain their present powers, especially with respect to the use of force. Another significant element of the proposed legal acts is the management of these three security structures, because according to the proposers, the MVR, the directorate, and the agency may be headed by politicians. In this way, this entire field, which now comes under the jurisdiction of the minister, will be divided into three parts that will be managed by separate structures, naturally mutually interconnected in various ways. The substantive difference is that the director of the Intelligence Agency is directly subordinate to the state president, by whom, by the way, he will be appointed or dismissed, and his term is four years.

To sketch it very briefly, the agency will not have executive-police and administrative powers, but would rather be exclusively responsible and equipped solely for gathering, processing, and analyzing intelligence data of significance for the country's security and defense and for protecting its economic, political, and other interests. Otherwise, oversight of these security bodies, according to the bill, will be conducted by one or several assembly commissions, which will be required to deliver, within a given period of time, a report on the work they have performed to the government and to the state president.

Not Everything Is That Smooth, However

In spite of the eloquence of the documents on police reforms, especially in their explanations presenting several comparative examples of the organizational structure of security structures in several Western countries, the criticisms of these laws have not been insignificant, however, particularly with respect to several substantive areas.

Above all, this has to do with the lack of a general, comprehensive law on security that, in accordance with the state's significance, will regulate or define the vital interests that are to be protected—starting with the country's integrity and sovereignty, and citizens' rights and freedoms, up to the basic conditions for protecting certain relationships in society, as well as the entities that are to be formed to be responsible for that protection, regardless of whether they are state or other legal institutions. This law (or laws), in principle, will ensure state interests in accordance with values established in advance, and as a rule will not apply just to one administrative body, but rather to all of them that perform a security function or contain such services. At the same time, they will designate appropriate (usually interagency) bodies within the executive branch, as well as the legislative one, which will coordinate activities, designate priorities and joint operations, and conduct control and oversight of the security bodies' work.

Thus, given the lack of such a comprehensive legal concept, the impression is that the agency, or even the directorate, is simply "floating," since its place and role in a broader security system is absent. One of the most vital goals in the transformation of the MVR is to avoid the influence of certain political structures upon these bodies' work. World experiences show that such penetrations are most successfully prevented by specifying the jurisdictions and tasks of the bodies that perform work related to security. This avoids the possibilities for a monopoly over information in this area, as well as possible misuse of that information. The precise jurisdictions can be adopted only if the entities in every security subsystem are rigorously defined, thus placing those bodies and services in a position in which they are protecting the strategic and specific interests of the state and not the ruling regime.

If the offered plan is followed, the small amount of space given to describing the Directorate for Protection of the Constitutional Order and Counterintelligence is striking. The law does not define the scope of its work, except for one article (protection of the constitutional order), which just by itself is too broad a jurisdiction and provides an opportunity for very different interpretations.

On the whole, although the plans for the transformation of the MVR are needed and required by modern conditions, there is a significant number of critics who emphasize that the point of departure in drafting these documents was the former practice and position of the MVR, as reflected in the former regulations on the former concept of internal affairs. The general observation has been the conclusion that the proposed text does not correspond to the changes in society that are under way and that are yet to come. Specifically, the proposed solution is much more pervaded by the previous one-party system, and implies a voluminous apparatus with an enormous concentration of power and a necessary inertia that would result from that sort of structure.

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Liberal Party View of Police, Oversight

95BA0148B Skopje NOVA MAKEDONIJA in Macedonian 29 Jan 95 p 2

[Article by Zoran Petrov: "What the Liberals Observe"]

[FBIS Translated Text] *One of the reasons for the radical changes in the police, according to the Liberal Party [LP], lies in the assessments of the unfavorable situation in the Ministry of Internal Affairs, which as an institution has been inherited from the old, real Socialism state, as well as in the enormous influence of the police upon the formation and "creation" of political life in Macedonia [The Former Yugoslav Republic of Macedonia].*

The transformation of the police has been a public topic in the Republic of Macedonia for several years now, and on several occasions the police have been criticized by various organizations or institutions. This kind of increased interest is completely understandable, if one bears in mind that the police are actually the most characteristic manifestation of the state, or, as it is usually said, they are the ID card of every society. In the last few years of multiparty life, it is precisely the Ministry of Internal Affairs that has been the most exploited topic in the quarrels and conflicts among parties, with a pronounced effort by all protagonists to take over this ministry. As a rule, the parties have come forward with criticism of the function, structure, and jurisdiction of the Interior Ministry, and the LP was among the first to deal with this problem very seriously.

As long ago as the end of 1992, the Liberals published a Platform for the Activity of the Parliamentary Majority regarding some basic issues in Macedonia, among which the need for reforms in the Interior Ministry was mentioned, but it was all in the context of advocating profound reforms in the entire state system. One year later, i.e., after the project for the transformation of the Interior Ministry had already been sent to the government and was in Assembly proceedings (at the stage of a proposed law), the LP once again published, through its party paper LIBERAL, its positions in connection with the metamorphosis of the police.

The necessity of the Interior Ministry's transformation, according to the LP, is derived from several fundamental elements, above all the need to establish a civil society, in accordance with the Constitution, in which there is a clear distinction between the state, civil, and political spheres. The second reason lies in the assessment of the unfavorable situation in the Interior Ministry, which as an institution, in form and structure, has been inherited from the old concept of the real Socialism state, as well as in the enormous influence of the police upon political life and the "creation" of the political atmosphere in Macedonia, while one also cannot overlook its extensive presence in the economy, in certain political parties, and even in some journalistic editorial boards.

The Past

According to the Liberals, the enormous power concentrated in the Interior Ministry does not contribute to more successful functioning of the state, but on the contrary, it leads to a slowing of democratic processes in Macedonia, because the time of the political police involved in all political life is long past. The LP's positions and consequently the stated reasons are that the Interior Ministry has to be fundamentally restructured and defined in accordance with the needs of a clear distinction among the state, civil, and political spheres, using the experiences of Western countries. In this context, the Liberals are offering several proposals, above all a definition of the Interior Ministry solely as an institution for protecting public order and peace and fighting illegal trafficking in drugs and weapons, as well as completely taking away the Interior Ministry's responsibilities for all defense tasks and transferring them to the institutions which, according to the constitution, are responsible for the country's defense. For that purpose it is also necessary to have a precise definition of the regular and reserve uniformed police, on the basis of assessments of the need, material capabilities, and criteria for the number of police for a given number of citizens.

The LP's positions, which by the way were adopted by its Republic Committee back in March 1993, have to do with separating State Security from the Interior Ministry structure and transforming it into separate agencies, administrations, or directorates for intelligence and counterintelligence activities, which would be under the control of the state president. Among this party's more significant positions are those related to taking away the present Interior Ministry's jurisdiction over so-called administrative affairs, which should be transferred to the jurisdiction of other ministries or separate directorates, such as, for example, the number of citizens according to the Statistics Institute, extracts from the birth, marriage, and death registries, and ID cards and citizenship to the Ministry of Justice, passports to the Ministry of Foreign Affairs, drivers' licenses to the Ministry of Education or a separate directorate, and so forth. Also interesting is the initiative for transferring economic audits and inspections to the jurisdiction of financial police, who would be stationed at the corresponding ministry, and for separating firefighting units from the Interior Ministry and transferring them to the Civil Defense authorities, as a separate administration or directorate.

Principled Views

The Liberals observe that there has been a considerable delay in adopting programs for the transformation of the Interior Ministry, giving the impression that an attempt is even being made to strengthen the old concept of it. Furthermore, they are voicing the government's demands that a suitable program for reorganizing the Interior Ministry be adopted as soon as possible, that appropriate personnel changes be made in order to have the transformation process implemented by uncompromised and competent personnel, that the accelerated process of hiring new Interior Ministry personnel be halted, and that the planned allocation of funds to

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finance the Interior Ministry be reexamined within the budget framework, and so on.

These positions and comments by the LP were expressed almost two years ago and are based on the actual situation of Internal Affairs at that time (before the publication of the two Laws on Internal Affairs and the Intelligence Agency), but also the experiences of several countries with parliamentary traditions. The fact is that some of the demands have already been incorporated in the new proposals for the transformation of the Interior Ministry, but the part regarding the separation of "administrative affairs" and inspections, which are now part of the Interior Ministry, was not included. Although these are only partisan arguments and positions, we are reminding readers of them, because these are essentially principled views regarding a projection of the structure of the country's security authorities, which will certainly be a topic of public debate.

Commission on Intelligence Oversight Convened

95BA0148C Skopje NOVA MAKEDONIJA in Macedonian 2 Feb 95 p 4

[Article by Z. P.: "For Police Reforms—Without Amendments"]

[FBIS Translated Text] *Although numerous comments, dilemmas, and ambiguities were stated in the discussion, the laws offered were generally supported as a whole by the members of the Commission.*

The new deputies on the Commission for Oversight of the Work of the State Security Service [SDB] held their first meeting yesterday, examining the final documents on the transformation of the Ministry of Internal Affairs, i.e., the draft laws on internal affairs and the Intelligence Agency, as well as the proposal to adopt a law on public gatherings. Although numerous comments and ambiguities were stated in the discussion, as a whole the laws offered were generally supported by the members of the Commission, as indicated most vividly by the fact that not a single amendment was submitted. This particularly applies to the two laws related to security, which, in the final stage, will come before the deputies in the Macedonian [The Former Yugoslav Republic of Macedonia] parliament on 8 February.

SDB Under Secretary Slobodan Bogoevski, who attended yesterday's meeting as a guest, explained the laws on internal affairs and the Intelligence Agency, particularly emphasizing that in accordance with the Constitution's provisions and the changes that had occurred in the country, the need for police reforms had become extremely urgent. Among other things, he stressed the basic structural differences envisioned by the new draft, such as the mutual separation of the functions of intelligence and protection of the constitutional order and counterintelligence from the part called the traditional and detective police. In the discussions by members of the Commission, which were voiced in the general discussion and in separate ones, it is worthwhile to single out the comment by Zoran Sapuric of the Liberal Party [LP], who at the same time is the chairman of the Commission for Oversight of the SDB. He effectively presented his party's position, in terms of the dilemma of whether the Directorate should be part of the Interior Ministry, and whether counterintelligence should not be covered by a separate service, noting at the same time that the jurisdictions of the traditional (uniformed) police and the detective police had been covered to a very small extent. The comments by Nazmi Malinci of the PDP [Party for Democratic Prosperity] and Abduljadi Vejseli of the NDP [People's Democratic Party] pertained to specific articles in the law, for instance what was meant by the term "greater extent" with respect to the disruption of public order and peace, how long an individual could be detained at a police station, and what was meant by deputies' immunity.

Likewise, in the discussions on the draft law on public gatherings, numerous comments and dilemmas were voiced, but not a single amendment was passed, and thus in fact the Commission for Oversight of the SDB, as the Assembly's main body for laws in the security area, supported the government's proposals.

Credit Policy as Disincentive for Agriculture

95BA0160C Skopje VECER in Macedonian 30 Jan 95 p 8

[Article by B. Traenoska: "The Triple Jump in Interest Rates"]

[FBIS Translated Text] *Although partially reduced, interest rates on loans granted by commercial banks are still excessively high and act as a disincentive to producers. The lowering of interest rates this year has stopped and budget allocations for agricultural production have been reduced.*

The credit policy this year as well is not beneficial to agriculture. In addition to the fact that as a result of the lowering of the discount granted by the NBM [National Bank of Macedonia], the Economic Bank, which accounts for 90 percent of agricultural production credits, lowered this month interest on loans by 3.75 to 5.25 percent. However, this is no help to the farmers. Interest rates (in other countries ranging between five and 10 percent annually) remain excessively high in our country and extremely detrimental to incentives, particularly in the light of current circumstances.

Considering that last year the basic commission was eliminated, the only source of funds was loans provided by the commercial banks at very unfavorable conditions—a 5-percent monthly interest. Hence, the heavy indebtedness of the agrarian sector, 1,535 billion dinars, which was scheduled to be reduced by the end of last year.

The indebtedness has not been reduced nor is there any likelihood that this will happen in the foreseeable future.

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Also unresolved are the obligations of processors, who have still not paid some of the funds owed to the primary producers and, in general a share of their output has remained unpurchased. That is why the producers have no funds to keep up with simple reproduction and pay interest on part of the funds owed to the banks. That is the reason for which no new indebtedness is contemplated, although this may be the only way to prevent the production process from coming to a halt.

Producers are increasingly objecting to the policy pursued in such activities, pointing out that the agrarian sector deserves much greater attention than it is receiving. It accounts for more than 80 percent of the Macedonian [The Former Yugoslav Republic of Macedonia] economy and offers an exceptional opportunity for marketing Macedonian products on the markets of the European Union.

That is precisely why, the producers say, not only they do not dare to allow the agrarian sector to fall back further but, conversely, it demands adequate support so that agricultural production may become part of the global standard and criteria and thus profit from the opportunities offered to us by the European Union and open the door to some of our products. Hence, it is necessary to pursue a more adequate credit policy and, as was pointed out by the association for agriculture at a recent meeting held at the Macedonian Chamber of Commerce, it is necessary to pass a law on the privatization of agriculture and its fastest possible conversion.

Macedonians, Bulgarians Support Border Crossing

95BA0161B Skopje NOVA MAKEDONIJA in Macedonian 6 Feb 95 p 2

[Article by Lj.K.: "6.5 Million Marks Are Needed"]

[FBIS Translated Text] *The initiative of the Pehcevo MZ [Local Community] was supported by five townships in Bulgaria and four in eastern Macedonia, but not by the Berovo Township Assembly.*

Pehcevo, February

The idea of building a direct road between Pehcevo and Simitli and opening a new border crossing on the Macedonian-Bulgarian border was originated two and a half years ago by the Pehcevo local assembly and, after discussions with the leading people in Simitli, in the Republic of Bulgaria, the idea "was born." According to the people of Pehcevo, one of the main reasons for this initiative is to relieve the load at the three crossing points where, following the increased economic and commercial cooperation between our state and neighboring Bulgaria, has resulted in a rapid increase in the frequency of passenger and freight vehicles, the result of which is several days waiting at entry and exit points.

"Meanwhile, we have had five official meetings with representatives of five townships in Blagoevgrad Okrug—Belitsa, Razlog, Simitli, Yakoruda, and Bansko, which have supported our initiative. In the course of last year's meeting, the protocol on building a direct road between Pehcevo and Simitli and opening the Ajducki Kladenec border crossing was signed by representatives of the Delcevo, Stip, Kocani, and Vinica assemblies, and the respective ministries of the two countries. It was only the Berovo township assembly that did not give its support in writing, we were told by Blagoj Gogusevski, the secretary of the Pehcevo local assembly. The leaders of the Berovo township assembly say that they do not object to the MZ initiative but believe that the building of such projects is the job of intergovernmental agreements and that, to begin with, we must complete the Berovo-Mikrevo road and open the Klepalo border crossing, which, despite tremendous investments, unfortunately is not functioning. It is true that the Pehcevo local assembly has gained the support of the proper ministry of the Republic of Macedonia [The Former Yugoslav Republic of Macedonia], but with the proviso that the governments of the two countries must sign an intergovernmental agreement to this effect. Still, it seems that our government, with its resolution on the recategorization of the Pehcevo-Macedonian-Bulgarian border road, 13 kilometers long, has made the first step. Pehcevo expects that its request to the RSIZ [Republic Infrastructural Traffic Association] on funds for the completion of the project will be approved. We have also learned that our neighbors have intensified their activities involving their respective ministries. Plans for seven out of 22 kilometers of their share of the road have been drafted. The people of Pehcevo use as an argument in hastening the realization of their initiatives the fact that out of a total of 13 kilometers separating Pehcevo from the Macedonian-Bulgarian border 80 percent of the earthen works have been completed and that the road was opened as early as 1944. According to the specialists, more than 6.5 million marks are needed to asphalt the road and open the Ajducki Kladenc border crossing. Whether and when this initiative will be implemented remains to be seen. Nonetheless, although under the present circumstances of economic development of the two countries the idea is worthy of support, we must not forget that, above all due to lack of interest on the Bulgarian side, for the past three years, although 90 percent of the work on the Klepalo border crossing has been completed and a huge amount of foreign currency has been invested, this has been delayed because of lack of interest on the Bulgarian side. Therefore, although the desire for a fast opening of the two border crossing points remains, the question remains whether, in general, this year as well at least one of them within the Berovo township will remain without a function.

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Government To Propose Changes to Constitution

AU0703174795 Ljubljana Radio Slovenia Network in Slovene 1430 GMT 7 Mar 95

[FBIS Translated Excerpt] At a news conference today, Prime Minister Dr. Janez Drnovsek spoke about Slovenia's efforts to draw closer to the European Union. He also pointed at the difficulties in the harmonization of the budget and announced that the representatives of the government and the Bank of Slovenia will meet with the 15 biggest exporters tomorrow. At this meeting, they will try to establish measures necessary to improve the position of the exporters.

The prime minister today stated explicitly that he supports the nomination of Dr. France Arhar for another mandate as the governor of the National Bank of Slovenia. Suzana Kos and Nadja Pengov report from the news conference:

[Begin recording] [passage omitted] [Kos] Speaking about currency devaluations in Italy and Spain, we asked whether the government is thinking about devaluation:

[Drnovsek] At the moment, we are not discussing devaluation, that is, the change of the entire system, but other, perhaps parallel, measures. Despite everything, the firmness of our currency and the established system have demonstrated numerous advantages so far, and we in no way wish to announce devaluation, at least not in the sense that this is usually done by other countries.

[Pengov] Prime Minister Drnovsek also spoke about yesterday's decision in Brussels, which is important and was anxiously anticipated. He congratulated the Italian Foreign Minister for taking this important and not-at-all-easy decision. Regarding our assurances:

[Drnovsek] What Slovenia, that is, the Slovene Government promised before this event, that is, before getting a green light by Brussels and Rome, was primarily that we will be open for, naturally, a constructive resolution of all open issues and talks about all open issues in a far more relaxed and constructive atmosphere.

[Pengov] The Slovene Government last year expressed its readiness to harmonize the Constitution with European norms. Our declaration at that time fell in a void as the Italian demands were in the forefront. The government declaration is topical again and it continues to be valid, Drnovsek emphasized. The government will propose it to the State Chamber prior to the signing of an agreement on Slovenia's EU associate membership. We shall adhere to the deadlines and expectations expressed at the ministerial summit yesterday. Will the government secure parliament's approval:

[Drnovsek] Naturally, it will not be easy to secure a two-thirds majority, however, it was evident in the talks that I held with the majority of parliamentary parties on this subject that I can expect the support of all three big coalition parties, which in itself almost guarantees a two-thirds majority. With additional argumentation and debates, we can perhaps also secure the support of either a smaller club of deputies, individual deputies, or perhaps an opposition party, if the explanation will be sufficiently convincing.

[Pengov] Our country will adjust and prepare itself for the new circumstances accordingly, with the measures practices by other union members, to protect the country from a sale off. We will conform to the practices that other small European countries know in this sphere.

It is not known whether the politicians will test people's attitude toward the entry in the European Union at a referendum, however, this is possible if conflicts will arise or if the subject will be overtly politicized. [end recording]

New Foreign Minister Thaler Sets Priorities

95BA0139E Maribor VECER in Slovene 30 Jan 95 p 4

[Interview with new Foreign Minister Zoran Thaler by Mirko Lorenci; place and date not given: "I Intend To Make Use of My Jurisdiction"]

[FBIS Translated Text] *Wisdom really does come with years, but it also brings things that are not as positive.*

[Lorenci] What did you feel this morning (the interview with Thaler was on Friday—author's note), when you sat at your ministerial desk? Pride, joy, fear?

[Thaler] I went to the ministry yesterday evening after I was sworn in. When you swear an oath you assume a responsibility and duty, and it really seemed to me that I and my closest associates should immediately see whether there was anything in particular that was needed. Today is a day that will probably be like the following ones, i.e., filled with talks, meetings.... It is a great deal of help to me that I have already been here for three years as deputy minister, and consequently I am familiar with many things that otherwise I would still have to learn. To be sure, I primarily feel responsibility and obligation.

[Lorenci] And probably also happiness. After all, at age 34 you are the youngest foreign minister in Europe—isn't that true?

[Thaler] The feelings of happiness really are the most momentary ones; they do not last long, or even rarely occur. Above all, there is the feeling that if you have the rudder in your hands you really need to steer the ship wisely and correctly.

[Lorenci] There have been a lot of concerns about your being young for such a position.

[Thaler] A great deal has already been said about that, but I myself do not intend to deal with it any longer. Certainly it also has advantages; I am not saying that just out of my head but rather from experience. All sorts of conversations, dialogues, contacts, and also agreements are easier as a result.

[Lorenci] Do you think that it might not be possible that Italian Foreign Minister Agnelli, an older lady, for

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example, might say, "He is such a young lad that he could be my grandson, but not an equal interlocutor"?

[Thaler] That is not the criterion for equality. The issue of who could be equal to whom is even the opposite. The fact is that every foreign minister has the jurisdiction to represent his country and to do so with all his strength. In that sense, I do not see any difference in any respect.

[Lorenci] Then you are not paying any attention to the saying that wisdom comes with years?

[Thaler] That is another matter. Wisdom does come with years, but it also brings things that are not as positive. In that regard, I think that in the innermost team of colleagues a combination will be created that will also be fortunate in terms of generations.

[Lorenci] You mentioned a team. You have said several times that professionalization is one of the first tasks that you will assign.

[Thaler] It is a big problem because many people have left the ministry—many to our representations, and many obviously out of some feeling of dissatisfaction. I will work on that area in both the short and long term, because I want to leave less of a ruin to my successor.

[Lorenci] Probably on your first day as minister there is not much sense in thinking about your successor, because almost two extremely difficult years are ahead of you.

[Thaler] I am only speaking from the standpoint that nothing lasts forever and that, especially in a democracy, it is normal for ministers to be replaced. Of course, in the time available to me I intend to do as much as possible.

Italy, Croatia, EU

[Lorenci] And what do you consider to be as much as possible?

[Thaler] Because politics is essentially the art of the possible, it is therefore a question of the maximum possible. Above all, from my point of view today I have the feeling that I would be successful if I found that Slovenia had solved its foreign policy problems or had set out on a path on which a solution to those problems would be guaranteed. The essential thing is for our country truly to establish itself as a traditional and equal member of the international community.

[Lorenci] Let us simplify things: straightening out relations with Italy and Croatia, and as a result associate EU membership?

[Thaler] Those are certain vital elements in straightening out our position, but of course it cannot be done overnight, especially since things have become complicated recently.

[Lorenci] Will you try to open all three fronts at the same time?

[Thaler] The problems are partly interrelated, and consequently it will not be possible to deal just with one of them and ignore the others. The fact is, however, that because of physical laws it will be necessary to do things one at a time.

[Lorenci] If we can dwell on Italy: IL PICCOLO has described you as a hawk. You have also said yourself that it would be the wrong stance, because from it it is easier to go half a step back.

[Thaler] It is characteristic that stereotypes are very tempting sometimes. As far as being a hawk is concerned, I can say that it is not bad at all, because we also have State Secretary Golob ["Dove"] in the ministry. I myself do not have any intention of changing my surname. I repeat that such descriptions in the beginning are not bad.

[Lorenci] Regarding the half-step backward: It is clear to any intelligent person that a certain amount of concession will be necessary in the negotiations. Of course, some people will immediately attack you, saying that one can work at the cost of rotten compromises.

[Thaler] I do not intend to rush. I have a mandate that in part I also created for myself. In this regard I am primarily thinking of the parliamentary decisions, the declaration on relations with the EU and Italy, within the framework of which I intend to work. Of course, there is room to maneuver, as always in politics.

[Lorenci] Do you already have specific plans about how to renew or speed up the negotiations with Italy? Perhaps it is a fortunate circumstance that there are new foreign ministers in both countries.

[Thaler] I think that it is a favorable circumstance because it makes it possible for people to be not so emotional about what has happened earlier. That is why what is important, above all, is personal contacts, conversation, which should verify the political will on both sides.

[Lorenci] Would a meeting between you and the Italian foreign minister be possible in the near future?

[Thaler] Diplomacy deals with that, and so at present I still cannot answer.

[Lorenci] Then one cannot expect spectacular results?

[Thaler] Not in a week, but in the foreseeable future something may be done.

[Lorenci] For instance, breaking through the Italian barrier by the end of this year?

[Thaler] I would rather not specify deadlines, so as not to sound too pessimistic or optimistic.

[Lorenci] That resounding statement by Drnovsek that it would be easier to sign Oglej now is on one hand arousing some hopes, but on the other hand indicates that perhaps that Oglej is only the trap into which Peterle fell.

[Thaler] I think that the prime minister should be understood metaphorically in this case. It is well known that our government, after the Italian one did not consent to any serious corrections, rejected the Oglej draft, and even

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proposed a new one to the Italians. The government's position is therefore that the Oglej story is over. I think, however, that otherwise it would be stupid to close the door to a discussion, as parliament essentially decided when it did not pass an amendment taking away the government's authorization for talks and negotiations.

Irrational and Absurd

[Lorenci] Oglej was completely pushed aside after it went too far, when it was necessary to maintain the coalition. Before that Peterle gave interviews about it in which he attacked Drnovsek, and the latter also sharply criticized Peterle.

[Thaler] When I say that Oglej is a story that is finished, the fact is that a sort of frustration has remained among some people, and consequently also those active explanations at home and especially abroad, which has not helped Slovenia. The other side was very patient with respect to the Oglej story. I myself do not intend to renew it or to attack or criticize anyone, since it is already irrational and absurd.

[Lorenci] Do you expect that Drnovsek will give you a free hand, or will he want to have extensive oversight over the Foreign Ministry's work?

[Thaler] Certainly the prime minister is in a position to be able to have considerable say in all areas, but otherwise, I am very well aware of my authority and I intend to use it.

[Lorenci] The prime minister is reputed to be a loner. Will you be able to work together with him?

[Thaler] My experience so far has been positive. Our communication has always been proper. It is very important to have a certain harmony in political thought, priorities, and directions. In my opinion, there will not be any difficulties over this.

[Lorenci] Now you will have a different role from the one that you played until yesterday as chairman of the international relations committee. That committee will ask you some unpleasant questions. Perhaps they will leaf through the old minutes and hit you with the same things that you did with your own predecessor.

[Thaler] I have survived in parliament long enough to know the importance of that institution, and consequently I intend to appoint immediately a person to be handle relations with parliament. Until now there has not been one, which hindered me a great deal in my previous job. In that way I would like to achieve a correct relationship, but I do not have any illusions that there will not also be a big debate, which, however, can only benefit Slovene foreign policy interests.

[Lorenci] If Peterle is going to be the chairman of that committee, as already planned, there will especially be a lot of debating.

[Thaler] If that does happen, which is not necessarily the case, and if he is as much of a gentleman toward me as I was toward him in my previous position, I am not afraid.

[Lorenci] Probably one can understand Peterle's feelings because he has followed a sort of backward curve—prime minister, foreign minister, and (possibly) committee chairman.

[Thaler] I think that I have had a great deal of understanding for the previous foreign policy, although perhaps that was not the image that existed.

[Lorenci] But there was an image of occasional cynicism, sarcasm, which one probably cannot afford in diplomacy.

[Thaler] Sarcasm is perhaps an appropriate expression, but not cynicism. At times I also saw grounds for cynicism among the majority of the committee, however.

[Lorenci] Did you ever have misgivings when you were aware that you were part of a partisan game, a sort of object in a trade?

[Thaler] Of course I have misgivings, because I am a person with feelings, moral values, criteria, but I cannot afford to handle policy too naively or simplistically. Politics is neither an art, nor a science, nor a profession; it is something unique with its own rules. I am not making any pretenses in that regard. I was not very enthusiastic about knowing that my candidacy was supposed to solve certain other problems, such as preservation of the grand coalition, for example. When they offered me the position, I took some time to think it over, but then when I made my decision, those misgivings no longer played any role.

[Lorenci] Of course, your conscience does not need to bother you, but Drnovsek probably cannot feel too good about the handling of Mojca Drcar-Mrka.

[Thaler] I would rather refrain from commenting on that.

[Lorenci] When you thought about the offer, did you ever worry over the question, "Am I capable of doing this job?"

[Thaler] I am a person who takes things seriously, and sometimes my colleagues even say that I am too serious. I can say that I have doubts about the world around me and sometimes about myself as well. On the other hand, I also have a good opinion of myself, and if I decide on something, I think I can do it well.

[Lorenci] When your term is over, you will be 36 years old. After a ministerial position, there are no longer a lot of steps upward, which a person usually wants to take, because of human nature.

[Thaler] If we are talking about politics, there really are not. The fact is that my generation's story is unique in a way. It is the generation from the mid-1980's, when the revolution in our state and our society began, in which we actively participated. At the end of the 1980's the ZSMS [Slovene Socialist Youth Alliance] was a serious opposition to the former regime, although some people deny that truth today. Politics put me and other people from that generation into its whirlpool in that haste to find a way out of socialism through pluralistic elections, and not to reform it. In many societies people are involved in politics in their later years, but I am convinced that excessive gerontology is not beneficial.

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Federal

Defense Minister, Russian Committee Chairman Talk

LD0703161295 Belgrade TANJUG Domestic Service in Serbo-Croatian 1329 GMT 7 Mar 95

[FBIS Translated Text] Belgrade, 7 Mar (TANJUG)—Federal Defense Minister Pavle Bulatovic today received Petr Petrovich Shirsov, chairman of the Committee on Security and Defense of the Russian parliament's upper house, who arrived in our country after visiting Russian battalions serving with the UN Protection Force [UNPROFOR] in Sector East in the republic of Serb Krajina and in Sarajevo, the office of the Federal defense minister has said.

Views were exchanged during the friendly talks and it was concluded that standpoints on the situation in the territory of former Yugoslavia were identical. The Federal Republic of Yugoslavia's [FRY] peace efforts and the contribution of soldiers of the Russian Federation serving with UNPROFOR were highly assessed. It was pointed out in particular that all efforts should be focused on lifting the sanctions against the FRY as soon as possible.

In addition to Mr. Shirsov, the meeting with Minister Bulatovic was also attended by Russian Ambassador Gennadiy Shikin, the statement says.

Minister Margit Savovic on Minority Rights

LD0703193095 Belgrade TANJUG in English 1801 GMT 7 Mar 95

[FBIS Transcribed Text] Belgrade, March 7 (TANJUG)—Yugoslav Minister Without Portfolio Margit Savovic on Tuesday said minorities had no right to self-determination but this was precisely what some international factors were trying to impose on Yugoslavia. She said the Federal Republic of Yugoslavia still respected the laws on minority rights that were in force in the former Yugoslav Federation.

Savovic, who is in charge of human and minority rights, said this during talks with head of the Cabinet for Political History of the Strasbourg Social Science University Jean Nuzij, the Yugoslav Information Ministry said in a statement.

'The creators of the so-called new world order hold human and minority rights as the foremost issue when it serves their own interests. This is clearly perceptible in the latest (U.S.) State Department report on human rights in certain countries, which shows U.S. spheres of interest,' Savovic said.

The problems in the territory of the former Yugoslavia result from the unprincipled attitude of the international community, said Savovic and added that the international community had treated differently those who were sending from the former Yugoslav Federation and those who trying to preserve it. Nuzij said France was not a signatory of the Convention on Minorities because it had embraced the concept of national state, in which ethnic minorities were entitled to individual rights exercizable within the given community, the statement said.

Nuzij said tolerant relations between the majority and the minority and the rights of individuals should be fostered and respected, and the minorities loyal to the states they lived in.

Issue of Serbian, Slovene Debt Examined

95BA0144A Belgrade VREME in Serbo-Croatian 30 Jan 95 pp 28-29

[Article by Svetlana Vasovic-Mekina: "Secretly Regarding Serbia"]

[FBIS Translated Text] *Although even Slovene bankers acknowledge that the Serbian bankers outsmarted their Slovene colleagues, the media do not miss a chance of challenging the moral aspect of Serbian banks' financial actions.*

Last week, secret sessions of the Slovene Government and parliament were scheduled in which Serbia again became the focus of attention. The meetings were so secret that even the (otherwise reliable) state secretaries were driven out of government meetings for 14 days in advance. Finally, proposals for settling accounts with the former fraternal peoples were discussed, under the veil of a "state secret" [the highest Yugoslav security classification], by parliament, under police protection.

The reasons for such caution were naturally financial in nature.

Pay and Slaughter

The consortium of commercial banks that represents about 250 world banks, headed by New York's Chemical Bank, signed a "New Financial Agreement on Rescheduling Debt" with the National Bank of Yugoslavia in 1988, with a total value of $7.2 billion. By last year, when the first installment of the principal was supposed to be repaid, the debt was reduced to $4.2 billion. Of that amount, the final users of the loans were known for $3.1 billion, while the remaining $1.1 billion was designated as unallocated debt, which means that that money was spent by the former joint state. The division of that debt thus became one of the more controversial issues over which negotiators have been fighting in the various groups on succession to the SFRY [Socialist Federal Republic of Yugoslavia].

In order to redistribute the $1.1 billion in debt to the Consortium of Commercial Banks, Slovenia has offered the IMF model, according to which Slovenia is responsible for 16.4 percent of the debt to that organization. According to this idea, Slovenia would pay the Consortium about $170 million of the total amount of unallocated Yugoslav debt (in addition to the $330 million

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already designated). Consequently, Slovenia would be willing to pay the Consortium a total of $500 million in debts; this would represent an elegant and above all cheap way for Slovenia to detach itself from "the Yugoslav train." The Consortium's representatives were not naive either, however, and remembered the clause on solidarity in responsibility, which was part of the 1988 agreement. That clause made the signatories responsible for settling the debts as a group. To put it more simply, if the bankrupt Bosnian, Macedonian [The Former Yugoslav Republic of Macedonia], and Serbian banks were not able to repay the debt, the burden would be shifted to the naturally better-off Slovene banks, which means that they would be obligated to repay the joint Yugoslav debt.

The foreign creditors have also not forgotten that Slovenia already has about $2.5 billion in foreign exchange reserves, and that even in terms of the average for Europe it is one of the least indebted states. Consequently, the Consortium of Commercial Banks is demanding that Slovenia pay not just $170 million, but even as much as $1.2 billion of the total of $4.2 billion in debt. The Slovene negotiators have claimed that the basis for such a demand is absolutely unclear to them. It is interesting, however, that the average market value of the entire Yugoslav debt (which has been sold at approximately 30 cents on the dollar) in world markets today amounts precisely to around $1.2 billion. Consequently, the Consortium expects Slovenia to repay the current market value of the entire Yugoslav debt.

In the event that the Slovene team refuses to participate in the arrangement thus offered, the Consortium has various coercive measures to collect the borrowed money, from confiscating the property of Slovene banks, to blocking funds, and closing essential lines of credit. Naturally, there would not be any real complication if Slovenia had not also arranged several defensive maneuvers; in order to demonstrate its willingness to repay its part of the debt, it opened an account at the Dresden Bank into which it is temporarily paying its installments (so far about $90 million). At the same time, in order to avoid the confiscation of their property, Ljubljanska Banka and Kreditna Banka-Maribor have been renamed as Nova Ljubljanska Banka [New Ljubljana Bank] and Nova Kreditna Banka-Maribor.

Serbian Syndrome

The specific "danger" because of which the Slovene parliamentarians decided on a session behind closed doors is embodied in the Serbian factor. At the end of last January, Prime Minister Janez Drnovsek received the first big bill from the Consortium of Foreign Banks [as published], and to his surprise, discovered among the creditors Udruzena Beogradska Banka [Associated Belgrade Bank], which was demanding the repayment of $80 million in debt.

Much later, the Slovene ministers found out that the amount of purchased Yugoslav debt controlled by Serbian banks is actually much, much larger.

According to official data from the Bank of Slovenia, in recent years Serbian banks directly purchased about $500 million (at a third or even a tenth of the cost) of the Yugoslav debts, while through intermediaries (banks from Russia, Indonesia, France, Cyprus, and so forth), they obtained approximately another $600-700 million; it was all allegedly purchased from panicked creditors for next to nothing, and now constitutes a trump card in the succession negotiations. According to the speculations of Slovene experts, because it has a two-thirds voting majority in the Consortium, the Serbian side is now in a position to block the signing of separate agreements between the Consortium and Slovenia, and even to set tougher terms for repayment of the overdue installments. In any case, Slovene financial experts claim that everything is leading toward Slovenia's repaying most of the Yugoslav debts.

Although even Slovene economists acknowledge that in this unusual battle, the Serbian bankers brilliantly outwitted and defeated their Slovene colleagues, the media are not missing any opportunity to challenge the moral aspect of the Serbian banks' financial actions. For instance, France Arhar, governor of the Bank of Slovenia, emphasized that the Serbian banks did not have the authority to purchase the Yugoslav debts using (what were then still the joint) Yugoslav foreign exchange reserves.

Finally, in the given situation Slovenia has to look out for not just the "Serbian danger," but also the altered foreign political situation. Even the usual critics of the Serbian state and policy immediately noted that "there is still something new in the West," and that many countries were already thinking about solutions "as a package," and moving the talks on commercial debts to Geneva, where the negotiations would be conducted under the leadership of the National Bank of Yugoslavia. At the same time, most of the other, bankrupt republics of the former SFRY are not even opposing another rescheduling and similar solutions. Furthermore, the head of the Slovene negotiators in Geneva, Miran Mejak, expects that after a possible lifting of the sanctions against the FRY [Federal Republic of Yugoslavia], Slovenia's position would be even worse. Even now the Slovene proposals for a separate settlement of the debt issue was rejected by all the delegations at the latest meeting of the London Conference's succession group.

The Slovene parliament's reaction was therefore expected. A delegation headed by Mojmir Mrak received the assignment of signing as soon as possible, even if at a higher price, a separate agreement by which Slovenia would be excluded from the "Yugoslav package" and the obligation of joint responsibility for its former brethren.

If such a "financial separatism" did occur, Slovenia would really become independent and autonomous in the financial sense. Slovenia is reportedly already willing to repay as much as $800 million to $1 billion of the debt instead of the offered $500 million, and experts estimate

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that in spite of the somewhat higher price, haste in settling the claims would pay off for both Slovenia and the international creditors—the Consortium of Foreign Banks because it would get money out of the only client capable of payment, and Slovenia because the interest on new loans would be reduced, the state's risk would decline and its creditworthiness would increase, and, with some luck, perhaps the tolar could even become convertible....

On the other hand, such a plan is now opposed by the official policy of the Yugoslav authorities, which is advocating a "package" solution. The National Bank of Yugoslavia, according to academician Kosta Mihailovic, has already lodged a protest against the Consortium's separate negotiations with Slovenia. How all of this haggling will turn out and what the final price for Slovenia's escape from solidarity with the former Yugoslav republics will depend on both the weight of Serbian financial capital in the Consortium and on the financial interests of the other members.

Opinion Poll of Serbian Peasants

95BA0151B Belgrade NIN in Serbo-Croatian 3 Feb 95 pp 17-18

[Article by Miroslav Vujovic: "No Red Star for the Peasant Cap"]

[FBIS Translated Text] How is the Serbian peasant living today? Is he interested in politics? What party would he vote for now?

These are some of the questions to which researchers of the Institute for Political Studies in Belgrade and the Research and Development Center recently obtained answers from 3,000 adult inhabitants of Sumadija, the vicinity of Belgrade, eastern and southern Serbia, the Drina Valley, Sandzak, Vojvodina, Macva, and Kosovo and Metohija. (Once again, nothing was heard from the Albanian minority, because they boycotted this survey, just as they did the 1991 population census.)

The figures in this project, which so far has computer-processed 2,100 responses, some of which NIN has published as an exclusive, indicate that although 79.4 percent of the inhabitants polled in the traditional Serbian village can support only their family—more than half of them (57.89 percent) would vote again for the SPS [Socialist Party of Serbia]. In the new election the peasant would give DEPOS [Democratic Movement of Serbia] 12.35 percent of the votes, the Serbian Radical Party [SRS] half as many (6.1 percent), the Democratic Party [DS] 5.48, and the Democratic Party of Serbia [DSS] 2.29 percent. Only 1.63 percent of these respondents indicated confidence in the JUL [Unified Yugoslav Left].

The "Slava"

In answer to the question "What made you decide to vote in the last election for a particular party?" the polltakers recorded that 41.54 percent of the rural voters were decisively influenced by the leader's appearance. Belief in the campaign platform convinced 36.81 percent, and 3.29 percent were won over by the party's past achievements. Only 2.15 percent gave their vote to the party because of the slate of candidates it put forward, and the party leadership was attractive to only 1.24 percent.

The study of rural public opinion in 40 opstinas in the republic, or 120 local communities, showed that nearly half of the farmers are not interested in politics at all. This was the view expressed by 46.64 percent, while 43.78 percent acknowledged that "they often take part in political discussions with neighbors and members of the household." Only 6.91 percent of the peasants attend political gatherings and have a membership card of some party.

How does the traditional Serbian farmer look on tradition?

In a representative sample of 2,100, it turned out that 93.4 percent have always celebrated the *slava*, while only 2.48 do not. Vinko Djuric, researcher of the Institute for Political Studies, says in this connection that he heard in the field negative comments about the speeches of Vuk Draskovic, SPO [Serbian Renewal Movement] leader, who in the election campaign called upon Serbs to go back to the *slava* cake and candle. The peasant never gave up the *slava*, so how could he now go back to it, the respondents asked in annoyance.

There is also evidence that the Serbian *slava* is something more than both tradition or religion in that only 10.16 percent of the respondents go to church regularly. The rest, who comprise a majority of 65.95 percent, replied that they go to the house of God only on church holidays and for family rites. The unbelievers represent 2.96 percent (nearly twice as many as sympathizers of the JUL!), and one-fifth—19.74 percent—consider themselves believers, although they do not go to church.

Land

How is the Serbian peasant getting along?

Half of the participants in the survey entitled "Life Aspirations and Value Commitments of the Rural Population in Serbia" believe that their scale of life is average and "somehow they make ends meet." Another 3.86 percent judged that they lived extremely well, 28.52 percent said they lived well, and 9.44 percent said that they lived poorly. Slightly less than 2 percent said they lived extremely poorly, while 5 percent were not able to judge their circumstances.

In spite of the wide range of prosperity, most of the farmers believe that there has been no essential change in the treatment of rural areas—in either economic or cultural affairs. Along with the 67 percent who say that living conditions have not changed, 13 percent say they are now living better, and 20 percent say that it is now

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worse for them than some 15 years ago. The reasons for the unattractive life in rural areas are high taxes, low prices for farm products, the lack of roads, medical and cultural institutions, and enterprises they can count on when they are selling what they produce.

The survey, whose data still have to be processed in detail, shows even now that the age-specific structure of rural Serbia—which until recently consisted mostly of households of the elderly—has changed quite a bit. Young people, those of school age between 14 and 27, are still the smallest group (12.28 percent), but those in "the best years," between 28 and 45, represent more than one-third—no less than 36.39 percent. Those between the ages of 46 and 60, who are a bit older, but have a high employment rate, account for 28.48 percent, while slightly more than one-fifth (22.37 percent) are over age 60.

The survey also showed that today almost 85 percent have permanent ties to rural areas, while 13.88 percent have temporary ties.

Has land been taken away from those who live predominantly from farming?

According to the figures obtained in this survey, land was taken away following World War II and not returned in 7.2 percent of the cases, while in twice as many cases what was taken away has already been returned to the owners. This problem fortunately did not affect a majority (76.68 percent) of the peasants surveyed all over Serbia.

Refugees

Does the farmer expect help from the state?

Only slightly less than 16 percent do not think that the state has an obligation to come to their aid, but 83.55 percent expect the state to intervene with its commodity reserves and guaranteed support prices.

To what extent the Serb is ready to help "brothers in trouble," or more accurately, refugees, is eloquently indicated by figures that NIN is the first to publish, and which alter the idea of the infinite hospitality of this people. In response to the question: "What is your attitude toward the refugees?" the most frequent answer—in 42.54 percent of the cases—was "I have helped them and do help them as much as I can." The others felt that the refugees were not their concern. "I am having a hard time making ends meet even for myself"—was the answer given by 14 percent of the inhabitants of Serbian rural areas, "The state should take care of them" was the answer given by 19 percent, and "The refugees should go back home" was the answer of 15 percent.

The responses of the peasants surveyed to the question "Do you buy a newspaper, and which one?" might also indicate that rural areas are no longer what they once were either. Dr. Zivojin Djuric, director of the Institute for Political Studies and director of the seven-member research team, says that in rural Serbia they usually do not buy any newspaper. Aside from the half of the rural population who do not read the press, the rest are divided among VECERNJE NOVOSTI (15.88 percent), POLITIKA EKSPRES (nearly 14 percent), and POLITIKA (9.92 percent). BORBA is of least interest and is read by only 3.58 percent.

Without giving up the *slava*, at the same time putting the greatest trust in the SPS, and feeling that the state is doing little to help the farmer, the Serbian peasant has become accustomed to trekking down muddy roads and cultivating the land himself. He has not put the cockade back on the peasant cap, but neither does he believe in the Red Star, and he is changing even his buying habits: Instead of salt, sugar, and POLITIKA, he now goes to town for salt, sugar, and a loaf of white bread.

Serbia

Milosevic Ready To Recognize Slovenia, FYROM

AU0803093995 Ljubljana Radio Slovenia Network in Slovene 0600 GMT 8 Mar 95

[FBIS Translated Text] Our correspondent from Belgrade reports that Serbian President Milosevic has expressed readiness to recognize Slovenia and Macedonia [The Former Yugoslav Republic of Macedonia, FYROM] immediately.

This news was reported by the Belgrade agency FoNet, which was citing U.S. diplomatic circles. In return for the recognition of Slovenia and Macedonia, Milosevic is demanding an immediate and complete lifting of sanctions and recognition of the current FRY [Federal Republic of Yugoslavia] as the successor state of the former SFRY [Socialist Federal Republic of Yugoslavia].

The above agency also reports that Belgrade will only recognize Croatia and Bosnia-Herzegovina when a final solution for the Croatian and Bosnian Serbs is known.

Seselj: Milosevic 'Neglecting' RS, RSK

AU0703145995 Korenica Srpski Radio Korenica in Serbo-Croatian 1800 GMT 3 Mar 95

[FBIS Translated Text] The leader of the Serb Radical Party, Vojislav Seselj, said in today's statement to SRNA that the foreign policy of the president of Serbia, Slobodan Milosevic, and his meetings with the members of the Contact Group for the former Bosnia-Herzegovina, were bargaining, of which not much good for the Serb people should be expected. Milosevic would gladly recognize the former Bosnia-Herzegovina and Croatia within their AVNOJ [Anti-Fascist Council of National Liberation of Yugoslavia] borders if the West were to promise him the lifting of all the sanctions. The president of Serbia is completely neglecting the Srpska republic [RS] and the republic of Serb Krajina [RSK]. He is merely doing business, trying to get as much as possible, said Seselj.

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DSS Expects Croatian, Muslim Blitzkrieg in B-H

LD0703142695 Belgrade SRNA in Serbo-Croatian 1245 GMT 7 Mar 95

[Received by fax]

[FBIS Translated Text] Belgrade, 7 Mar (SRNA)—Milorad Jovanovic, spokesman for the Democratic Party of Serbia [DSS], said in Belgrade today that coordinated efforts to terminate the UN Protection Force [UNPROFOR] mandate and illegal deliveries of weapons to Tuzla airport are "preparations for a large-scale blitzkrieg."

Stressing his concern, Jovanovic told SRNA that he expects the Croatian and Muslim blitzkrieg to be directed primarily against Posavina in an attempt to cut the Serb Republic in two.

"Violations of UN resolutions and illegal deliveries of arms to Muslims via Tuzla airport clearly indicate that we can expect a serious escalation of the war and the Serb Republic Army will have to respond adequately Jovanovic warned."

Party Leaders Comment on Martic-Mikelic 'Clash'

AU0703213995 Belgrade NASA BORBA in Serbo-Croatian 6 Mar 95 p 2

[Article by Z. Radovanovic: "An Initiative to One's Own Detriment"]

[FBIS Translated Text] Kragujevac—Any kind of tremor will certainly have a negative impact on the situation in Krajina, as a Croatian ustasha sword is looming over the republic of Serbian Krajina [RSK] all the time. This is why I think that the time chosen to start an initiative such as the one to replace RSK Prime Minister Borislav Mikelic has not been fortunate, RSK Assembly Chairman Rajko Lezajic told Kragujevac Radio yesterday commenting on demands issued by Milan Martic and 20 RSK assembly deputies for a no-confidence motion to be initiated against Prime Minister Borislav Mikelic.

Also commenting for Kragujevac Radio on this latest Serbian rift were some leaders of Serbian political parties who—except in one case—also think that the clash between Martic and Mikelic broke out at an unfortunate time; about 20 days before Tudjman's demand for UNPROFOR [UN Protection Force] troops to withdraw from Croatia is to be met.

The single discordant opinion was expressed by Tomislav Nikolic, vice chairman of the Serbian Radical Party, who said that "the Serbian Radical Party has a clear stand on this issue, which reflects the fact that this party's deputy caucus initiated the motion of no-confidence in Borislav Mikelic."

Vuk Draskovic, leader of the Serbian Renewal Movement, said that he is not informed sufficiently about all the details, but that he assumes that the essence of the conflict is Milan Martic's desire to remove Borislav Mikelic, the latter being an advocate of a more moderate policy in the relations between Zagreb and Knin.

"However, it would be much more important for the Krajina Assembly to deal in more detail with the Z-4 plan, and therefore see if the plan can be accepted as a basis for further negotiations.... However, nobody, either here in Serbia or there in RSK is acquainting the people with the details of the Z-4 plan. I have read it and am therefore absolutely astonished by the fact that it is kept secret from the people both in the RSK and here in Serbia. Because the plan absolutely promotes a Serbian state on most of the current RSK territory. The assembly, government, judiciary, police, flag, and currency—complete power therefore—stay. This is being kept secret from the people and publicity is given to nationalist hysterics and madmen who are further inciting riots among the people," Draskovic pointed out.

The Democratic Party, according to its spokesman Slobodan Vuksanovic, does not wish to interfere in other people's internal affairs and thereby contribute to something leading to a rift.

"We hope that these relations in Krajina will be solved in a democratic way. Any time is unfavorable for such a disagreement, even more so as we, as a nation, still have not attained borders within which we would be living together," Vuksanovic said.

According to New Democracy Chairman Dusan Mihajlovic, "these events in Krajina do not serve the interests of the Serbian people. The only hope left to us is that participants in the latest Serbian rift will become aware of the fatal road we have started to go along."

"We hope that Milan Martic will withdraw his initiative as we think that both he and Mikelic have much more important things to do than weigh their respective contributions to the RSK," Mihajlovic said.

SPS, PSDR Want Balkan Parliamentary Group

LD0703202895 Belgrade TANJUG in English 1859 GMT 7 Mar 95

[FBIS Transcribed Text] Belgrade, March 7 (TANJUG)—The representatives of the ruling Socialist Party of Serbia (SPS) and the Party of Socialist Democracy of Romania (PSDR) at a meeting in Belgrade on Tuesday urged the creating of a Balkan parliamentary group.

The SPS Department for International Cooperation said that the group would be made up of deputies from Balkan countries who would be engaged in turning the Balkans into a zone of peace, stability and cooperation.

The delegations, headed by SPS Vice-President Goran Percevic and PSDR spokesman Dumitriu Paslaru, concluded that the initiative for a Balkan parliamentary group was also supported by the ruling party of Greece.

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A joint statement issued after the talks said that Paslaru urged the lifting of the sanctions against Yugoslavia because they became pointless after Yugoslavia supported all peace initiatives so far. The two delegations said that the good cooperation between SPS and PSDR, the major political forces in Yugoslavia and Romania, was an important contribution to the two countries' traditional friendship.

The statement said the delegations had also discussed the further realization of the idea on setting up a forum of left wing Balkan parties.

Former Jugoeksport Director Interviewed

95BA0146A Belgrade SRPSKA REC in Serbo-Croatian 30 Jan 95 pp 46-47

[Interview with Slobodan Andjic, former director of Jugoeksport, by Milovan Brkic; place and date not given: "'Milosevic's Killers Will Not Find Me!'"]

[FBIS Translated Text] *In an unusually frank interview, the former close friend and colleague of Slobodan Milosevic states that the Serbian president prepared for war since he came to power, and that the war has been financed and social peace has been purchased with money taken from citizens....*

When the "antibureaucratic" revolution knocked on our door as well, the leader of the Serbian communists, Slobodan Milosevic, called upon his cronies, relatives, and party sympathizers to help him, themselves, and the party.

Mr. Slobodan Andjic, who was Slobodan Milosevic's marriage witness, ended up, at the time of the Eighth Meeting (of the Serbian League of Communists), in the position of general director of Jugoeksport, a modern corporation that brought the state great revenues.

The cronies did a good business, up until two years ago, when Jugoeksport's director left the country with all the money, and laid low in Greece, for the time being a country friendly to us.

This SRPSKA REC reporter succeeded in contacting with Mr. Andjic, who agreed to speak frankly about his business and relations with the president of Serbia.

Milosevic Always Sought Insight Into the Amount of Money

[Brkic] Mr. Andjic, should we announce what city you are living in now?

[Andjic] I am temporarily living and working in Athens. I say "temporarily," because I hope that some day, in the near future, I will be able to return to my own country, and clean off the mud that has been thrown at me.

[Brkic] Why did you leave your well-paid position at Jugoeksport?

[Andjic] Today, I hear, it is being reported in Serbia that I absconded. My lawyer has checked, and officially neither the Serbian Ministry of Internal Affairs nor the District Public Prosecutor's Office is conducting proceedings against me. I hid because I assumed that if I remained in the country, I would have had unpleasant experiences. Perhaps they would have arrested me, and perhaps they would have liquidated me. The latter seems more realistic to me.

[Brkic] Who could have ordered your liquidation or arrest, when for years you were the model of a good businessman, everyday politics portrayed you as a hero, you were gladly seen at all the political meetings, pictures of you were in the newspapers and on TV screens...?

[Andjic] When the line advocated by Mr. Milosevic won at the Eighth Session of the Serbian LC Central Committee, I expected Serbia's rebirth. That was my sincere belief. I was familiar with Mr. Milosevic and his family, our relationship was friendly, and I thought that what I was doing really was in Serbia's interest. But...

[Brkic] Let me be precise: Those more familiar with your work at Jugoeksport accuse you of robbing the enterprise. In connection with the construction of the Hyatt Hotel in 1989, you took $3 million from Mr. David Hahn for "services as a middleman." The payment went to your transfer account in a bank in Switzerland, through the Tehnika-Servis firm. Employees at your former firm claim that you received a new BMW and a Jeep from Mr. Hahn.

[Andjic] Before I answer your question, I must briefly explain the circumstances in which we directors of large enterprises were doing business at that time. President Milosevic took all the power into his own hands immediately after assuming his duties as president of the Serbian Presidency, after the forced resignation of Ivan Stambolic.

At the so-called coordination meetings that were held once a week, in President Milosevic's office, which were attended by the president of the SSRNJ [Socialist Alliance of Working People of Yugoslavia], the Serbian SKS [expansion unknown], the Serbian prime minister, the director of the National Bank, and the director of the SDK [Public Auditing Service], President Milosevic always sought to have full insight into the amount of money that was in the large banks' accounts. Mr. Milosevic frequently ordered that money be taken out of one enterprise's account and transferred to other systems. He was capable of saying, "Comrades, Comrade Mackic (director of the Smederevo MKS [expansion not given]) called me last night and asked for money. Let Comrade Jovanovic (director of the Serbian SDK) transfer it from Prva Petoletka's account. We have to help each other, comrades."

Mr. Milosevic, the former director of Beobanka, monitored the accounts of the commercial banks on a daily basis, and personally made decisions on where the

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money would go and to whom. I remember that once when the Montenegrin authorities got into a crisis, money was sent by trucks to Montenegro so that Bulatovic could pay the workers at Obod and the Aluminum Combine. The money was taken out of Crvena Zastava's account.

In those business conditions, the fate of an enterprise depended mainly upon the will of the president of Serbia, or the influence of its director and how much favor he was in with the president....

Now let me answer your question about the business with Mr. Hahn. You are probably not naive, but you believe that I could have concluded that transaction without Mr. Milosevic's approval!

Bringing Money In and Out

[Brkic] What sort of approval from Mr. Milosevic was necessary in order for you to take so much money from Mr. Hahn?

[Andjic] When he seized full power in Serbia, Mr. Milosevic was confronted with the truth: His (and my) "antibureaucratic" revolution had swallowed up a lot of money. The processes of transforming the economy had been halted, private enterprise had been attacked, the large systems were plundered overnight, and the economy started to be managed from the president's office, with the help of a small group of his associates. You remember his statement given to the presidents of municipalities in Serbia immediately before the first multiparty elections: "Comrades, if we don't know how to work well, we do know how to wage war. At least we are known for that...."

At the end of the 1980's, the president was already planning to take Serbia to war. He did not see any other way to remain in power except through war. He needed money for a war, however, and a lot of it. He acquired it to start with through the bond drive for the rebirth of Serbia, and by taking the foreign exchange reserves of the commercial banks, which declared citizens' savings to be "old." President Milosevic sent all that money abroad. Most of the money went through Jugobanka to Frankfurt, and a considerable part of it went to Paris through the Beobanka branch and Miodrag Zecevic. Only afterwards was Cyprus selected. Why? Because the international mafia on Cyprus holds money that is safe, and its origin is not determined.

And you ask me why I took money from Mr. Hahn to help to get all the permits for building the Hyatt Hotel in New Belgrade, and why that money ended up in Switzerland?!

Mr. Milosevic and I had a good relationship at that time. The president was afraid that the Yugoslav People's Army might remove him from power, and was looking for a retreat. He needed money, and he thought it would be safer to put it in my account, because he thought that he was under surveillance by the military security service. He was afraid of being arrested, and planned to spend that money if they overthrew him. I promised him that I would turn the money over to him in the event of a bad outcome.

[Brkic] Was the $3 million in your account in Switzerland the "only" reason why President Milosevic is persecuting you today? What about the $30 million that you took to carry out the "My Way" project, which never materialized?

[Andjic] President Milosevic decided to go to war, and I transferred that money to Cyprus, with his knowledge. Many of our activities—I am thinking of Jugoeksport and our clients—were focused on sending money abroad, so that President Milosevic could use it when necessary to finance elections, purchase social peace, and finance the war. My role as a businessman and a person trusted by him was to hide large amounts of money safely on Cyprus, in Athens, and to transfer part of the money to Damascus. There is a strong Albanian lobby in Syria, composed of Albanians from Kosovo, members of the Handzar Division who withdrew after the war, and started a big business in Syria, in Damascus. Today they maintain close ties with Albanians in Kosovo, and arms and drug trafficking and capital transfers take place through those ties.

"I Will Return as Soon as the Government Is Changed"

[Brkic] You are accused of having taken $4 million to build a hotel on Vlasina, and about $1 million to build a hotel on Zlatibor. What about that money?

[Andjic] I must be sincere, although I am convinced that people will not believe me. All the money that I took has been preserved, and I will return it when my fatherland needs it. Serbia will be grateful to me that that money is safe, and that the president's people are not spending it.

[Brkic] You are also accused of have bought the Slovenes' foreign exchange debt, which they owed to foreign countries, before the collapse of the Socialist Federal Republic of Yugoslavia; they paid you in dinars, and you gave them $3 million in cash. What about that money? And where is your feeling of patriotism, which was cited then by President Milosevic?

[Andjic] President Milosevic is not a nationalist. Serbdom does not interest him. When he came to power, he ordered me to bring in from Tehnogas, as my coworkers, his people, Albert Gregorovic and Vinko Krznaric, Croats, and to give them key positions. The only thing important to President Milosevic is loyalty to his policy and to him personally. As far as the money you are citing is concerned, President Milosevic is aware of it. It is in a safe place, but fortunately not accessible to him.

[Brkic] Did you also move Jugoeksport's headquarters to Nicosia on orders from Mr. Milosevic? And was it with his knowledge that $150 million was transferred to your

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account in Nicosia, in the form of a loan given to you by Beobanka's New York branch and its director Celenkovic ($70 million), while this bank's other branches provided the rest of the money, with the arrangements made by the famous Borka Vucic?

[Andjic] That was the strategy: to bring the money out to a safe place, to conduct foreign policy with that money, finance and buy support from Russia, from its opposition and military lobby, and to pay lobbyists on Milosevic's behalf in Germany, England, and the United States. A lot of the money has been spent, but I kept plenty of money. I say that I will return it as soon as the government in Serbia is changed.

"Milosevic's Killers Will Not Get Me!"

[Brkic] Did you flee to Cyprus with your secretary Slavica Colic, to whom you gave a million German marks to "accompany" you in emigration?

[Andjic] It was not that large an amount.

[Brkic] You stated that you took out of the country 190 artistic pictures that had been bought with Jugoeksport's money. Has any trace of them been lost?

[Andjic] The pictures are in a safe place, and will be returned.

[Brkic] Are the president's people looking for you in order to settle accounts with you?

[Andjic] I talked on the telephone with Mr. Milosevic. He expressed himself unfavorably about me, which I took to be a threat. I have bodyguards, and I am guarded by two officers from Paraguay; I change hotels often, which costs me significant amounts of money. I think that President Milosevic's killers will not get me.

While I was in Yugoslavia, I had contacts with people in the army and the police, and they regularly inform me today about the movements of the president's people who have been sent to eliminate me as an awkward witness. When I spoke with the president the last time, he asked me for just 10 percent, and then the two of us would be straight. I decided that I would not give him a cent. I miss Serbia a lot and I will return to it with all the money in order to help it. And if the president kills me, I have left all the money in my will to the National Bank of Serbia, on the condition that Slobodan Milosevic is not president of Serbia.

I personally feel sorry for him, but he is under the strong influence of his wife, Mirjana, who will be the end of both him and Serbia.

'Centa' Air Defense Exercises Detailed

95BA0152A Belgrade VOJSKA in Serbo-Croatian 20 Oct 94 pp 6-7

[Article by V. Hrkalovic: "According to the War Model"]

[FBIS Translated Text] RV i PVO [Air Force and Air Defense] exercises were completed the other day that involved some units of the Air Force, missile units, and units for air observation, reporting, and guidance. The exercise emphasized practice and verification of Air Defense [PVO] systems in the Belgrade region.

The principal objective of the exercise was to check the level of preparedness, drilling, and training of commands and units in timely detection and interdiction of possible actions from the air against targets of the infrastructure, the RV i PVO, and civilian targets in Belgrade and environs, as well as the accuracy and effectiveness of fire and overall combat readiness.

In contrast to similar exercises in the past, commanding officers of units (participating in the exercise) were given full initiative, including the choice of maneuver and weapons, the time and method of the strike, evaluation and decisionmaking, and in this game the sides did not have any advance information about the intentions of the "adversary."

An Exercise That Assumes the PVO System Has Broken Down

The exercise began on the assumption that the PVO system was "disrupted," i.e., in a situation when some of the units and infrastructure had already been "destroyed." The conditions approximating wartime in which units of the RV i PVO found themselves in this imaginary scenario made it necessary for air observation, reporting, and guidance units and certain Air Force and missile units to relocate and take up new positions.

A statement by Major Srdjan Cimbalevic, commander of the 252d Fighter-Bomber Squadron, indicates how unusual and serious the "opposed" sides in this exercise were in their approaches; immediately before his unit was restationed at another airfield, he declared: "Very little time has passed since the problem was delivered, and our superior command has already ordered us to move to another airfield. The preparations have been made, and we will take off any moment, but, believe me, this is the first time in my many years as a pilot that aside from data about the airfield for landing and necessary data and instructions for the overflight, we got no other data about upcoming missions. Up to now, this has always been somehow 'leaked,' and something would be learned...if I did not know this was an exercise, and I have been told the same by other pilots in this squadron, we would be thinking all kinds of things...."

Captain First Class Zlatko Sobot, commander of a PVO missile battery, was thinking and saying much the same thing. His task was to make all the necessary preparations and move an entire missile battery to its backup position. The battery commander learned where he would be going when everything was ready to move. The battery took up new positions during the night in record time and even by the early morning hours was ready for action, and that day they were not the only battery that had their "hands full."

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Units in the air observation, reporting, and guidance brigade commanded by Lieutenant Colonel Milos Gordic reported flights of "enemy" aircraft all day. There was hardly a break.

...Enemy plane on course 218, distance 270, altitude 2,500 meters...immediate takeoff for a pair on alert.

...Knight 517 calling Condor...turn to course 345. Patrol zone for Delta 210 is K-147.... Knight 517 I have him on the radar.... "He's mine...."

Twilight was far advanced when the last pair of MiG-29's landed from the patrol zone.

Flight of the Fighter-Bomber Brigade

The radars continued to turn tirelessly and maintain a persistent "watch." The missiles were menacingly visible from the little woods on the other side of the clearing, and the Bofors lowered their barrels lazily, waiting for the "giraffes" to wake them up. There were only two pilots left on alert on the ground in their planes, sitting now in the dark.

It all became calm so suddenly and incredibly.

But in the 204th Fighter Regiment, Lt. Col. Srdjan Urosevic, commander, was analyzing the day's missions with the pilots and preparing for new ones—the ones for tomorrow.... Aside from fighter protection the next day, in an assisting role, they would operate against targets on the ground, at the Centa exercise ground, but the commander and his pilots would get data on the targets only the next day, immediately before takeoff, from the aerial photographs taken by the scouts.

Colonel Mile Filipovic, commander of the fighter-bomber brigade, is troubled by the same problem. Many of his pilots have never flown in this area, but they need to find targets and hit them. But Col. Filipovic believed in his lads; the next day he would be flying the lead plane, and his brigade would complete this exercise successfully. And it was successful.

The final section of the exercise at the Centa exercise ground was attended by Zoran Lilic, president of the FRY [Federal Republic of Yugoslavia], Slobodan Milosevic, president of Serbia, Momir Bulatovic, president of Montenegro, and Pavle Bulatovic, defense minister, the chief of the General Staff, the commanders of strategic groupings of the Army of Yugoslavia, numerous guests, and journalists from almost all the radio and TV stations and newspapers.

The first Orao flew over and photographed the "target, general view." Soon thereafter, the action began by MiG-29's with cluster bombs, then four MiG-29's performed an impressive imitation of an air battle in which the acrobatics and bravura took away the breath of those who were present. That part of the exercise was emphasized and judged to be very successful by Lieutenant Colonel General Ljubisa Velickovic, commander of the RV i PVO, in his subsequent statement to the journalists. After that, MiG-21's and MiG-29's alternated on a strictly planned schedule with Fabovka 250's, C-24 missiles, PLAB-350's, Oraos and Supergalebs with nonguided 128- and 57-mm missiles...and then the action was concluded by Gammas (armed Gazelles) with Malyutki. At the end of the exercise, Colonel General Momcilo Perisic, the RV i PVO commander, and members of the Supreme Defense Council gave their assessment of the results and effects of the action.

Lt. Col. Gen. Ljubisa Velickovic, RV i PVO commander, mentioned that this exercise, the most extensive of RV i PVO units this year, not only verified the effectiveness of the PVO system in action against targets in the air and the Belgrade region, but also ended with a test of the action of the Air Force against ground targets.

"You saw the actual results," Gen. Velickovic said to the journalists present. "I personally am satisfied. The assault planes distinguished themselves in action against ground targets, and in the air fight you saw yourselves the MiG-29's and fighter planes.... One can see in these final results the work of the maintenance crews and pilots and the enlisted men of the RV i PVO," said the commander of the RV i PVO, expressing his high opinion of the action of PVO units, which have also taken part in the exercise these last few days.

'Putsch' Carried Out by Republic Government

95BA0151A Belgrade NIN in Serbo-Croatian 3 Feb 95 pp 13-14

[Unattributed article: "Topola: Wrecking Machine"]

[FBIS Translated Text] The election results of the Socialists in places where bielections were held for opstina assemblies can be said to be poor. The only thing going well for the Socialists is establishment of receivership. After the Belgrade opstina Stari Grad, the republic government also dissolved the opposition government and ordered receivership in Topola as well.

The now former opstina assembly in Topola had 40 deputies, 17 of whom were Socialists. The opposition managed to form an opstina government, but it was enough for four of its deputies to resign, which in fact happened, and then for all 17 Socialists to also submit their resignations—the faster the better—leaving the assembly without a quorum, to create a situation in which the republic government could hardly wait to form the opstina council, i.e., a receivership consisting of five Socialists and two nonparty deputies.

High-level opposition circles, accustomed to thinking in stereotypes, rushed to point their fingers at the SPO [Serbian Renewal Movement], which after the "betrayal" in Stari Grad also left the government defenseless in Topola, which is where the Karadjordjevices come from.

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There has also been an unofficial bidding war as to the reasons why the SPO "undermined" the government in Topola. According to the first theory, this was a debt that Vuk Draskovic and the SPO were repaying for the seats that the Socialists took away from "Rakitic's group" and put at the disposition of the SPO. But according to a second, a theory rather widespread in the opposition, "Vuk was blackmailed" because of certain financial irregularities in connection with the sale of his book *Noc Djenerala* (*Night of the Generals*), for which draconian penalties are now envisaged.

In the SPO, however, they are angry at those who accused them of sinking the opposition cause in Topola. They even say of those who accused them of giving up the four seats in bitterness that "they are lying like dogs."

"Only two of the four deputies who resigned were from the SPO, and two were not. One of the two who were withdrew his resignation," Ivan Kovacevic, SPO spokesman, told NIN.

We found the new "receiver," that is, Zarko Jovanovic, president of the Topola Opstina Council, on the job his first day. We asked him about the circumstances that preceded introduction of receivership, and Mr. Jovanovic explicitly stated: Four deputies of the SPO submitted their resignations, and he even gave their names!

To make a long story short: The result of NIN's investigation among the former deputies of the Topola Opstina Assembly (quite reliable, although the deputies no longer want to appear in public) is this: Resignations were submitted by two SPO deputies, by one from the Peasant Party, and by one who ran on the DEPOS [Democratic Movement of Serbia] slate, but is not the member of any party. One can nevertheless say in general that the truth, as is often the case, is somewhere in the middle. The SPO, and perhaps the rest of the opposition, can save their breath; it does not appear that the SPO "betrayed" Topola. However, that is only the beginning of the story.

Zarko Jovanovic, the new head of the opstina in Topola (by occupation a small businessman, according to his own statement), has serious charges against his predecessors in the opstina: "The previous opposition government did not allow members of the SPS [Socialist Party of Serbia] to work in the opstina administration, and it is responsible for the opstina's high level of debt: almost 1 million dinars, which is why we will be calling in the budget inspectorate."

But certainly the most important scandal in Topola, which has been rumored far and wide, is the case of the permit for construction of a tourist facility right alongside the fence of the Oplenac National Park and right alongside the cemetery. For Jovanovic, the new president, there is no issue here at all: "Back in 1991, the opstina sold to Milan Markovic the lot right next to Oplenac, but when it came to issuing a building permit, the opstina assembly, which is now multiparty, did not want to issue the permit. You must realize that half of the deputies in the former opstina assembly were also delegates in the one-party opstina assembly. And the same ones who were demanding that the lot be taken away from Markovic had voted earlier for the lot to be given to him gratis."

According to Jovanovic, construction of the tourist facility is advisable and consists of just what Oplenac needs most: a flower shop, a pastry shop, restrooms, a tourist agency, a post office, and so on.

The most painful part of this story are certainly the rumors about "pressures" put on certain opposition deputies to submit their resignations, and we must inevitably mention the case of Chairman Blagojevic of the local SPO Committee, who under circumstances still unclear committed suicide, mentioning in his suicide note precisely those "pressures."

Zarko Jovanovic said of all this that the SPS did not exert any pressures at all, but on the contrary, that this was done by the SPO, calling upon certain deputies to submit resignations. One can see best that a single truth can have two faces from the fact that Ivan Kovacevic of the SPO does not dispute that they tried (and succeeded) to persuade one deputy to submit his resignation. Whether or not there is a difference between "persuasion" and "pressure" is a question that everyone can answer as he sees fit and according to his party affiliation.

No one in Topola is going to confirm that the incumbent party in Serbia organized intimidation and blackmail of opposition deputies, at least not by naming the names of those it happened to. All those we talked to defended their reticence by saying that they "have children," that they "have a job," that they have "finished with politics," and so on.

"The SPS is a wrecking machine," says one of the former opposition deputies, indicating at the same time that the problem is that "there is no opposition," that is, that it has not managed to organize itself enough to defend itself.

It is of interest that one deputy confirms that because of his commitment he really was subjected to unpleasantness and intimidation, but he adds: "Those were not people from the SPS." Better put, the whole horror of what has taken place in Topola, and it did occur, is not that it was organized at the "party" level, but that it was organized by individual groups that represented their interests as those of a party. Specifically, the position taken concerning the lot near Oplenac that has been mentioned was delivered to the deputies in the form of a directive, which evoked resistance on the part of some, "because once again there is no room left for thinking with your own head."

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We might also cite as an indicator of how well the opposition is organized that during the election campaign some candidates were put on slates only to fill all the slots, even if afterward they did not come to meetings.

If the opposition government in Topola has fallen, it has fallen, as the poet would say, because it was predisposed to fall, not this time because of the "betrayal" of Vuk Draskovic and the SPO, nor, one would say, because of the SPS's "fear squads," which have been so much talked about in the SPO. Opposition officials in Belgrade immediately resorted to suspicions of one another, without attempting to first investigate on the spot what actually happened and without facing their own lack of organization.

The new SPS government in Topola is certainly a story in itself. Asked whether, regardless of everything else, the 17 SPS deputies intentionally caused a crisis in that they all turned in their credentials when they calculated that in this way they could frustrate the assembly, Zarko Jovanovic said that those responsible for the crisis are the four deputies who first submitted their resignations. In addition, he said that the initiatives of the Socialists were ignored, and that "their voice was not heard." In other words, in Topola they did everything to the Socialists that the Socialists are doing to others wherever they have a majority, and that, then, is everywhere.

Finally, what is to be said about the republic government appointing the opstina council, which is both completely one-party and also completely opposite to the party structure that resulted from the election. To tell the truth, public opinion in Topola does not give the impression that it is greatly embittered because the government has gone against its will expressed in the election: One would rather say it is indifferent. The putsch in Topola caused much more excitement in Belgrade than in Topola.

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